PUBLIC ACCOUNTS

OF THE

GOVERNMENT OF NUNAVUT

FOR THE YEAR ENDED MARCH 31, 2010

HONOURABLE KEITH PETERSON

Minister of Finance

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Nunavut

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Minista Maniliqiyini
Minister of Finance
Ministre des Finances

THE HONOURABLE EDNA ELIAS

COMMISSIONER OF NUNAVUT

I have the honour to present the Public Accounts of Nunavut for the fiscal year ended March 31, 2010. I would ask that these accounts be laid before the Legislative Assembly in accordance with the Financial Administration Act, R.S.N.W.T. 1988, c.F-4, S. 74 as amended, and duplicated for Nunavut, and the Nunavut Act, S.C. 1993, C.28, s.44.

The Honourable Keith Peterson

Minister of Finance

Government of Nunavut

Iqaluit, Nunavut

Box 2410, Iqaluit, NU
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Public Accounts of the Government of Nunavut
March 31, 2010

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SECTION I

CONSOLIDATED FINANCIAL STATEMENTS

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MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The preparation of these consolidated financial statements for the Government of Nunavut, and related information contained in the Public Accounts, is the responsibility of management through the Department of Finance.

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) for governments recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. When GAAP permits alternative accounting methods, management has chosen those it believes are most appropriate. Where required, management's best estimates and judgments have been applied in the preparation of these consolidated financial statements.

The Government fulfills its accounting and reporting responsibilities, through the Department of Finance, by maintaining systems of financial management and internal control. These systems are continually enhanced and modified to provide accurate information, to safeguard and control the Government's assets, and to ensure that all transactions are in accordance with the *Financial Administration Act*.

The Public Accounts are referred to the Standing Committee on Oversight of Government Operations and Public Accounts after they have been tabled in the Legislative Assembly. The recommendations of this Committee will be reviewed and acted upon, where appropriate, to improve financial management, financial reporting practices and the systems of internal control.

The Auditor General of Canada conducts an annual audit of the consolidated financial statements in order to express an opinion as to whether the statements present fairly, in all material respects, the financial position, results of operations and accumulated surplus, change in net financial assets (debt) and cash flow for the year. During the course of the audit, she also examines transactions that have come to her notice, to ensure that they are, in all significant respects, within the statutory powers of the Government and those organizations included in the consolidation. The Auditor General's opinion is included with the consolidated financial statements.

Jeff Chown, CA
Comptroller General

Peter Ma, CA
Deputy Minister

February 18, 2011

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Auditor General of Canada
Vérificatrice générale du Canada

AUDITOR'S REPORT

To the Legislative Assembly of Nunavut

I have audited the consolidated statement of financial position of the Government of Nunavut as at 31 March 2010 and the consolidated statements of operations and accumulated surplus, change in net debt and cash flow for the year then ended. These financial statements are the responsibility of the Government. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Government, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Government as at 31 March 2010 and the results of its operations, the change in its net debt and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The auditor's report for the 2009 fiscal year contained a qualification relating to the financial statements of the Nunavut Business Credit Corporation.

In my opinion, except for the failure of the Government to meet the deadline for tabling consolidated financial statements as described in the paragraph below, the transactions of the Government and of those organizations listed in Note 1 to the consolidated financial statements that have come to my notice during my audit of the consolidated financial statements have, in all significant respects, been in accordance with the Government's powers under the *Nunavut Act*, the *Financial Administration Act* of Nunavut and regulations and the specific operating authorities disclosed in Note 1 to the consolidated financial statements.

Under section 44 of the *Nunavut Act*, the Government is required to table its consolidated financial statements in the Legislative Assembly by 31 December each year for the fiscal year ended in March that year. The Government has not tabled its consolidated financial statements by the deadline.

Sheila Fraser

Sheila Fraser, FCA
Auditor General of Canada

Ottawa, Canada
18 February 2011

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GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Consolidated Statement of Financial Position
as at March 31, 2010
(thousands of dollars)

	2010	2009 (Restated - Note 3)
Financial assets		
Cash and cash equivalents (Note 4)	$ 250,327	$ 325,464
Portfolio and other investments (Note 5)	15,541	14,917
Due from the Government of Canada (Note 6(a))	85,750	73,617
Other revenues receivable (Note 6(b))	88,249	61,380
Inventories for resale (Note 7(a))	93,243	93,646
Loans receivable (Note 8)	15,860	18,400
Total financial assets	548,970	587,424
Liabilities		
Accounts payable and accrued liabilities (Note 9)	272,521	270,949
Other employee future benefits (Note 10(a))	19,956	20,461
Pension liabilities (Note 10(b))	5,454	4,867
Long term debt (Note 11)	85,608	90,335
Capital lease obligations (Note 12)	97,755	110,416
Deferred revenue and capital contributions (Note 13)	282,324	183,396
Total liabilities	763,618	680,424
Net debt	(214,648)	(93,000)
Non-financial assets		
Tangible capital assets (Schedule B)	1,597,835	1,437,967
Inventories for use (Note 7(b))	12,307	15,890
Prepaid expenses	3,788	4,102
Total non-financial assets	1,613,930	1,457,959
Accumulated surplus	$ 1,399,282	$ 1,364,959

Contractual obligations (Note 15)
Contingencies (Note 16)

The accompanying notes and schedules are an integral part of these consolidated financial statements.

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Consolidated Statement of Operations and Accumulated Surplus
for the year ended March 31, 2010
(thousands of dollars)

	2010 Budget	2010 Actual	2009 Actual (Restated - Note 3)
Revenues (Schedule A)			
From the Government of Canada	$ 1,265,823	$ 1,231,864	$ 1,146,965
Revenues generated by the Government of Nunavut	286,999	308,201	342,699
Total revenues	1,552,822	1,540,065	1,489,664
Expenses (Note 14)			
Health and Social Services	306,178	351,513	313,051
Community and Government Services	342,395	318,098	362,462
Education	218,682	244,598	228,400
Finance	156,095	149,658	125,243
Nunavut Housing Corporation	194,149	191,280	179,826
Justice	77,040	77,714	73,417
Economic Development and Transportation	76,597	75,294	78,936
Environment	20,917	23,435	22,791
Culture, Language, Elders and Youth	24,252	21,847	18,487
Human Resources	22,378	21,053	16,995
Legislative Assembly	15,152	16,574	13,353
Executive and Intergovernmental Affairs	11,705	14,678	12,810
Total expenses	1,465,540	1,505,742	1,445,771
Surplus for the year	87,282	34,323	43,893
Accumulated surplus, beginning of the year		1,364,959	1,321,066
Accumulated surplus, end of the year		$ 1,399,282	$ 1,364,959

The accompanying notes and schedules are an integral part of these consolidated financial statements.

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Consolidated Statement of Change in Net Debt
for the year ended March 31, 2010
(thousands of dollars)

	2010 Actual	2009 (Restated - Note 3) Actual
Surplus for the year	$ 34,323	$ 43,893
Tangible capital assets (Schedule B)		
Additions	(243,735)	(169,405)
Disposals	6,867	2,094
Amortization	77,000	71,623
	(159,868)	(95,688)
Net use (additions) of inventories for use	3,583	(2,603)
Net use of prepaid expenses	314	748
	3,897	(1,855)
Change in net debt for the year	(121,648)	(53,650)
Net debt, beginning of the year	(93,000)	(39,350)
Net debt, end of the year	$ (214,648)	$ (93,000)

The accompanying notes and schedules are an integral part of these consolidated financial statements.

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Consolidated Statement of Cash Flow
for the year ended March 31, 2010
(thousands of dollars)

	2010	2009 (Restated - Note 3)
Cash provided by (used for) government operations:		
Transfers from the Government of Canada	$ 1,278,320	$ 1,169,408
Taxes	59,066	70,466
Other government revenues	216,901	274,510
Interest payments on long term debt	(5,581)	(6,051)
Interest payments on capital leases	(7,521)	(8,636)
Compensation and employee benefits	(435,787)	(393,022)
Grants and contributions	(139,254)	(182,180)
Goods and services	(788,679)	(812,851)
Cash provided by (used for) government operations	177,465	111,644
Cash provided by (used for) capital activities:		
Tangible capital asset acquisitions	(250,128)	(169,405)
Tangible capital asset disposals	3,611	119
Cash provided by (used for) capital activities	(246,517)	(169,286)
Cash provided by (used for) investing activities:		
Loan repayments received	10,919	6,085
Portfolio and other investments	(538)	(485)
Loans to municipalities, businesses and individuals	(781)	(1,311)
Cash provided by (used for) investing activities	9,600	4,289
Cash provided by (used for) financing activities:		
Principal payments on capital leases	(10,448)	(8,908)
Principal payments on long term debt	(5,237)	(5,026)
Cash provided by (used for) financing activities	(15,685)	(13,934)
Increase (decrease) in cash and cash equivalents	(75,137)	(67,287)
Cash and cash equivalents, beginning of the year	325,464	392,751
Cash and cash equivalents, end of the year (Note 4)	$ 250,327	$ 325,464

The accompanying notes and schedules are an integral part of these consolidated financial statements.

1 AUTHORITY AND OPERATIONS

Authority and reporting entity

The Government of Nunavut (the Government) operates under the authority of the *Nunavut Act* (Canada). The Government has an elected Legislative Assembly which authorizes all disbursements, advances, loans and investments, except those specifically authorized by statute.

These consolidated financial statements are prepared to meet the financial reporting requirements in the *Nunavut Act* (Canada) and the *Financial Administration Act* (Nunavut). The consolidated financial statements present summary information and serve as a means for the Government to show its accountability for the resources, obligations and financial affairs for which it is responsible.

The reporting entity of the Government of Nunavut includes all departments, agencies, corporations, organizations, and funds, which are controlled by the Government. For financial reporting purposes, control is defined as the power to govern the financial and operating policies of an organization with benefits from the organization's activities being expected, or the risk of loss being assumed by the Government. All organizations that meet the definitions in the *Financial Administration Act* for departments, revolving funds, territorial corporations or other public agencies are included in the reporting entity (except for the Workers' Compensation Board). The financial activities of all these entities are consolidated in these financial statements.

The following organizations comprise the reporting entity represented by these consolidated financial statements. Unless indicated otherwise they have March 31st year ends. These organizations are accountable to and are controlled by the Government.

	Authority for Operations
Consolidated Revenue Fund, including those departments and public agencies set out in the Government's Main Estimates	*Financial Administration Act*
Revolving Funds	*Revolving Funds Act*
Fur Marketing Service Revolving Fund	
Liquor Revolving Fund	
Nunavut Outfitters Liability Protection Revolving Fund	
Petroleum Products Revolving Fund	
Public Stores Revolving Fund	
Student Loan Revolving Fund	
Territorial Corporations	
Nunavut Housing Corporation (including subsidiaries)	*Nunavut Housing Corporation Act*
Nunavut Arctic College *(June 30th year end)*	*Public Colleges Act*
Nunavut Development Corporation (including subsidiaries)	*Nunavut Development Corporation Act*
Nunavut Business Credit Corporation	*Nunavut Business Credit Corporation Act*
Qulliq Energy Corporation	*Qulliq Energy Corporation Act*
District Education Authorities *(June 30th year end)*	*Education Act*

All entities included in the reporting entity are fully consolidated on a line-by-line basis. Significant transactions and balances between consolidated entities are eliminated.

For segmented disclosure reporting purposes, summary information has been provided based on the accountability and control relationships between the Government and the various organizations within the reporting entity using categorization or groupings of organizations noted above.

Budget

Generally accepted accounting principles (GAAP) for the public sector in Canada requires a government to present in its financial statements a comparison of the results of operations and changes in net financial assets (debt) for the period with those originally planned.

The Government's annual budget presented to the Legislative Assembly is not prepared on a consolidated basis. As a result, the budget figures included in the consolidated financial statements are based on the appropriations approved by the Legislative Assembly, and the approved annual budgets for the consolidated entities, adjusted to eliminate budgeted inter-entity revenues and expenses as well as significant accounting policy differences. They represent the Government's original appropriations and budgets of consolidated entities, and do not reflect supplementary appropriations or budget adjustments made later in the year. Where necessary, assumptions were used to estimate the inter-entity eliminations and accounting policy adjustments required. Information was not available to estimate 2009-10 budget amounts for disclosure in the consolidated statement of change in net debt.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Financial statements

These financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP) for the public sector as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA) as required by Section 45 of the *Nunavut Act*. Accordingly, the Government has adopted the recommendations of the PSAB as the primary basis of its accounting policies.

(b) Use of estimates and measurement uncertainty

The preparation of financial statements in accordance with GAAP requires the Government to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements. By their nature, these estimates and assumptions are subject to measurement uncertainty. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant, although, at the time of preparation of these financial statements, the Government believes the estimates and assumptions to be reasonable.

The more significant management estimates relate to employee future benefits, environmental liabilities, contingencies, revenue accruals, amortization expenses and valuation allowances on loans and other receivables.

(c) Cash and cash equivalents

Cash and cash equivalents are comprised of bank account balances, net of outstanding cheques, and short term highly liquid investments that are readily convertible to cash and usually with a maturity date of 180 days or less from the date of acquisition.

(d) Portfolio investments

Portfolio investments are long term investments in organizations that do not form part of the government reporting entity and are accounted for by the cost method. Such investments are normally in shares or bonds of the investee. Where there has been a loss in value of a portfolio investment that is other than a temporary decline, the investment is written down to recognize the loss, which is included as a component of investment income, which is part of other revenues within revenues generated by the Government of Nunavut. Interest income is recorded on the accrual basis, dividend income is recognized as it is declared, and capital gains and losses are recognized when realized.

(e) Inventories

Inventories for resale include bulk fuel, liquor products and finished goods. Bulk fuel and finished goods are valued at the lower of weighted average cost or net realizable value. Liquor products are valued at the lower of cost or net realizable value on a first-in, first-out basis.

Inventories for use include fuel, supplies and lubricants, health and medical supplies, and raw materials and work in progress. Fuel inventory is valued at the lower of cost or replacement cost, with the cost being determined on a weighted average basis. Supplies and lubricants, health and medical supplies, as well as raw materials and work-in-progress inventory items are valued at the lower of cost or replacement costs, with the cost being determined on a first-in, first-out basis.

(f) Loans receivable

Loans receivable are valued at the lower of cost or net recoverable value. Based on the circumstances known at the date the consolidated financial statements are prepared, including past events and current conditions, valuation allowances are recorded when collection is considered doubtful or when the value of a loan receivable is impaired. Interest revenue is recorded on an accrual basis when the collectability of both principal and interest are reasonably assured. An uncollectable or impaired loan receivable balance can be written off only upon receipt of required statutory approvals.

(g) Non-financial assets

Non-financial assets, including tangible capital assets, inventories for use and prepaid expenses, are recognized on the consolidated Statement of Financial Position only if they are expected to be used to provide government services in future years. These assets would not normally be used to provide financial resources to discharge liabilities of the Government unless they were sold. Non-financial assets are amortized or charged to expenses in future periods as they are used to provide or support the provision of government services.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Tangible capital and leased assets

Tangible capital assets are non-financial assets whose useful life exceeds one fiscal year and are intended to be used on an ongoing basis for delivering government services. They may include such diverse items as buildings, vehicles, equipment, aircraft and computer hardware and software systems. Tangible capital assets with a cost of less than fifty thousand dollars are fully expensed in the year of acquisition.

Tangible capital assets are recorded at cost, or where actual cost is not available, estimated current replacement cost converted back to the date of purchase by discounting current year dollars for inflation. Gifted and cost-shared tangible capital assets are recorded at fair market value upon receipt or cost, respectively, with the gifted or cost-shared portion recorded as a deferred capital contribution, and recognized as revenue on the same basis as the related asset is amortized.

Leased assets that meet the definition of a tangible capital asset, except that they are held under lease by the Government, are capitalized and reported as such if, in substance, their terms and conditions transfer substantially all of the benefits and risks of ownership to the Government. Legal ownership may not necessarily have been transferred. The lease liability and corresponding asset are recorded based on the present value of payments due over the course of the lease. The present value is based on a specified rate or the Government's borrowing rate at the time the obligation is incurred.

Tangible capital assets, when placed into service, are amortized on a straight-line basis over their estimated useful life. The assets are amortized based on the following guidelines.

Asset Category	Amortization Period
Land	Not amortized
Buildings	30 years
Leased Buildings	30 years
Infrastructure	30 years
Tank Farms	30 years
Storage Facilities	30 years
Equipment	5 years
Electric Power Plants	20-40 years
Transmission Distribution Systems	20-40 years
Heavy Equipment	5-40 years

In the year a tangible capital asset is acquired or put into service, amortization is taken for the full year. Tangible capital assets under construction or development are recorded as work in progress with no amortization taken until the year the asset is placed into service.

Tangible capital assets acquired by right, such as Crown lands, water and mineral resources, are not recorded in the financial statements. The cost of works of art and museum collections consisting mainly of paintings, sculptures, drawings, prints and photographs are charged to expense in the year they are acquired.

(i) Pension and other employee future benefits

Pension benefits

All eligible employees participate in the Public Service Pension Plan administered by the Government of Canada. The Government contributes at a rate of 2.14 times (2009 - 2.14 times) the employee's contribution. The Government's contributions are charged as an expense on a current year basis and represent the total pension obligations. The Government is not required under present legislation to make contributions with respect to actuarial deficiencies of the Plan.

The costs and obligations for the Government's pension benefits to Members of the Legislative Assembly are determined on an actuarial basis. This is done to determine the present value of future entitlements and uses various estimates. When actual experience varies from estimates, the adjustments needed are amortized over the estimated average remaining service lives of the contributors.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-pension employee future benefits

Under the terms and conditions of employment, Government employees may earn severance and removal benefits based on years of service. These benefits are paid upon resignation, retirement or death of the employee. The estimated liability and related expenses for these benefits are recorded as employees earn them. Termination benefits are recorded when employees are identified for lay-off. An actuarial valuation of the cost of these benefits has been prepared using data provided by management and assumptions based on management's best estimates.

(j) Contractual obligations and contingencies

The nature of the Government's activities requires negotiation of contracts that are significant in relation to its current financial position or that will materially affect the level of future expenses. Contractual obligations pertain to block funding agreements with municipalities, operating commercial leases, capital projects and operational funding commitments. Contractual obligations are not accrued until the terms of those contracts or agreements are met.

The contingencies of the Government are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. If the future event is likely to occur or fail to occur and is quantifiable, an estimated liability is accrued. If the likelihood is not determinable or the amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements and no liability is accrued. Contingent liabilities result from potential environmental contingencies or pending litigation and like items.

(k) Environmental liabilities

Environmental liabilities consist of the estimated costs related to the remediation of environmentally contaminated sites. An environmental liability is accrued and an expense recorded based on management's best estimates at the time the contamination occurs or when the Government becomes aware of the contamination and is obligated or is likely obligated to incur such costs. If the likelihood of the Government's obligation to incur these costs is not determinable or if an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements and no liability is accrued. Environmental liabilities are reported as part of accounts payable and accrued liabilities.

(l) Revenues

Unless otherwise stated, all revenues are recognized and reported on an accrual basis in the period in which transactions or events give rise to the revenues. Specific revenue accounting policies are as follows:

Transfers from the Government of Canada

Grants from the Government of Canada are recognized as revenue when entitlement for the transfer occurs. The Government receives a Formula Financing grant from the Government of Canada. For the years 2007-08 to 2013-14, the Government of Canada has, under Bill C-52, the *Budget Implementation Act, 2007*, restored the Formula Financing grant to a principle-based arrangement. Health and social transfers are recorded in accordance with the *Federal-Provincial Fiscal Arrangements Act* (Canada). Adjustments for health and social transfer revenues are made in the year they are known.

Other transfers from the Government of Canada are recognized as revenue in the period that the events giving rise to the transfer occur as long as: (i) the transfer is authorized; (ii) the Government has met any eligibility criteria; and (iii) a reasonable estimate of the amount of the transfer can be made. Transfers received before these are fully met are recorded as deferred revenue until the criteria are met.

Taxes and general revenues

Income tax revenue is recognized on an accrual basis. Taxes, under the *Income Tax Act*, are collected by the Government of Canada on behalf of the Government under a tax collection agreement and are remitted to the Government monthly. The remittances are based on the Government of Canada's estimates for the taxation year, which are periodically adjusted until the income tax assessments for that year are finalized.

Fuel, tobacco and payroll taxes are levied under the authority of the *Petroleum Products Tax Act*, the *Tobacco Tax Act* and the *Payroll Tax Act*, respectively. Revenues are recognized on an accrual basis based on the statements received from collectors or employers. Adjustments from reassessments are recorded in revenue in the year they are identified.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Property taxes are assessed on a calendar year basis and are recorded on an accrual basis in the fiscal year in which the calendar year ends. Other taxes are accrued based on information provided by those parties which collect tax on the Government's behalf.

(m) Expenses

Expenses are recorded on an accrual basis.

Grants and contributions made by the Government are recorded as expenses when the following criteria are all met: (i) the grant or contribution has the necessary authorization; (ii) the recipient has met any eligibility criteria; and (iii) a reasonable estimate of the amount of the expense can be made. Grants or contributions paid prior to all three conditions being met are accounted for as prepaid expenses until all conditions are met by the recipient.

(n) Financial instruments

The fair values of short term financial instruments, including accounts payable and accrued liabilities, cash and cash equivalents, portfolio and other investments (with terms of maturity of less than 12 months), due from the Government of Canada and other revenues receivable approximate their carrying amounts because of their short term to maturity.

The fair value of the Government's long term financial instruments, including long term debt, capital lease obligations, pension liabilities, other employee future benefits, portfolio and other investments (with terms of maturity of greater than 12 months), and loans receivable, are detailed in the related notes. Where fair value amounts are not detailed, the carrying amounts approximate their fair value.

(o) Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars using the exchange rates at year end. Foreign currency revenues and expenses are translated into Canadian dollars using rates in effect at the time the transactions were entered into. Exchange gains and losses are accounted for in the revenue and expense balances to which they relate.

3 RESTATEMENT OF 2009 CAPITAL ASSETS BALANCE

As a result of a review of the items included in government's tangible capital assets balance, significant adjustments, including restatement of previously reported balances, were reflected in the comparative figures included on the consolidated statement of operations and accumulated surplus, on the consolidated schedule of tangible capital assets (Schedule B) and on the consolidated schedule of segmented information (schedule C).

It was determined that items with a combined net book value of $3,967 included in the March 31, 2009 tangible capital asset balance previously reported did not qualify as government's tangible capital assets and should have been expensed. The respective cost, accumulated amortization and work in progress balances for these items have been removed from the buildings, infrastructure, storage facilities and equipment categories through a restatement of the balances previously reported in the March 31, 2009 consolidated schedule of tangible capital assets (Schedule B), resulting in an increase of $3,967 to the previously reported 2009 expenses.

4 CASH AND CASH EQUIVALENTS

		2010		2009
Cash	$	72,199	$	278,843
Designated cash		1,089		1,147
Short term investments		177,039		45,474
	$	250,327	$	325,464

Designated cash represents funds reserved for further investments or financing for subsidiary business enterprises and venture investments.

Cash and cash equivalents include investments in a diversified portfolio of high grade, short term income producing assets. The portfolio yield for the year ended March 31, 2010 varied from 0.11% to 2.5% (2009 - 0.4% to 4.0%). All instruments held are in high quality debt obligations, rated R-1 Low or better by the Dominion Bond Rating Service, with an average term to maturity of 84 days (2009 - 152 days).

5 PORTFOLIO AND OTHER INVESTMENTS

Portfolio and other investments include the following at March 31.

Portfolio investments	2010 Effective Rate of Return	2010 Term to Maturity	2010 Carrying Value	2009 Carrying Value
Government of Canada	variable	1 to 7 years	$ 1,026	$ 917
Provincial Governments	4.39%	1 to 8 years	8,118	8,093
			9,144	9,010
Other investments				
Venture investments			250	-
SRAF designated investments			6,147	5,907
			$ 15,541	$ 14,917

The market value of the portfolio investments at March 31, 2010 was $9,131 (2009 - $9,143), with an average yield in 2010 of 4.36% (2009 - 4.38%).

The Supplementary Retiring Allowances Fund (SRAF) of the Legislative Assembly investments cannot be used to discharge other obligations incurred by the Government. The investments are managed by a third party. The Statement of Investment Policy establishes the eligible classes of securities, categories of issuers, limits and terms. The market value of SRAF investments at March 31, 2010 was $6,374 (2009 - $5,115) with a positive return of 23.16% (2009 - negative 16.08%).

Venture investments include 250 Class D Preferred Limited Partnership units with a fixed cumulative annual distribution of 6.25% based on its investment. The shares are redeemable at the end of five years.

6 REVENUES RECEIVABLE

(a) Due from the Government of Canada

	2010	2009
Health Canada	$ 19,389	$ 16,000
Infrastructure Funds	259	13,887
Goods and Services Tax	7,332	10,899
Official Languages	3,683	5,830
Transport Canada Programs	3,553	3,694
Canada Mortgage and Housing Corporation	3,452	3,452
Department of Indian and Northern Affairs	19,275	674
Other receivables	28,807	19,181
	$ 85,750	$ 73,617

(b) Other revenues receivable

	2010	2009
Other accounts receivable of the Petroleum Products Division	$ 27,798	$ 26,978
Other accounts receivable of other departments	24,918	25,700
Other accounts receivable of the Territorial Corporations	69,901	32,321
	122,617	84,999
Less: Allowance for doubtful accounts	(34,368)	(23,619)
	$ 88,249	$ 61,380

7 INVENTORIES

(a) For resale

	2010	2009
Bulk fuels	$ 88,954	$ 89,900
Liquor products	1,822	1,081
Finished goods	1,945	2,373
Packaging materials and supplies	522	292
	$ 93,243	$ 93,646

The write-down for bulk fuels inventory for 2010 was $849 (2009 - $2,103).

7 INVENTORIES (continued)

(b) For use

		2010		2009
Fuel	$	5,250	$	8,939
Supplies and lubricants		4,408		4,327
Health and medical supplies		2,251		1,967
Raw materials and work in progress		398		657
	$	12,307	$	15,890

8 LOANS RECEIVABLE

		2010		2009
Mortgage loans from Nunavut Housing Corporation to individuals with a maximum maturity of 25 years, bearing interest between 6.0% and 14.25%, net of valuation allowance of $7,005 (2009 - $7,244).	$	2,452	$	2,962
Loans from Nunavut Business Credit Corporation to businesses with a maximum maturity of 25 years, bearing interest between 2.57% and 10.25%, net of valuation allowance of $1,075 (2009 - $1,790).		11,790		13,679
Loans to municipalities due in instalments to 2017, bearing interest between 0% and 8%, net of valuation allowance of $100 (2009 - $100).		347		484
Student Loan Fund loans due in instalments to 2017, bearing interest between 2.75% and 12.5%, net of allowances for valuation and forgiveness of $3,672 (2009 - $3,463).		1,233		1,158
Other, Qikiqtaq Co-op Mall Mortgage, net of valuation allowance of $304 (2009 - $240).		38		117
	$	15,860	$	18,400

9 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		2010		2009
Payable to related parties				
Workers' Compensation Board	$	387	$	395
		387		395
Other				
Accounts payable		118,001		131,606
Accrued liabilities for contaminated sites		10,638		9,866
Other accrued liabilities, payroll deductions and contractor holdbacks		94,256		97,552
Vacation pay and lieu time		20,530		16,835
Due to the Government of Canada		22,624		10,147
Due to the Government of the Northwest Territories		6,085		4,548
		272,134		270,554
	$	272,521	$	270,949

10 PENSION AND OTHER EMPLOYEE FUTURE BENEFIT LIABILITIES

(a) Other employee future benefit liabilities

		2010		2009
Severance	$	9,295	$	10,105
Removal		10,661		10,356
	$	19,956	$	20,461

10 PENSION AND OTHER EMPLOYEE FUTURE BENEFIT LIABILITIES (continued)

(b) Pension liabilities

i) Public Service Pension Plan

Both the Government and its employees make contributions to the Public Service Pension Plan administered by the Government of Canada. In 2010, the Government's contributions were $30,817 (2009 - $29,148).

The amount of the Government's contributions is set by the Government of Canada and represents the Government's sole obligation under this Plan. The Government is not required under present legislation to make contributions with respect to actuarial deficiencies of the Plan.

ii) Legislative Assembly Retiring Allowances Plans

The Government of Nunavut sponsors two defined benefit pension plans for Members of the Legislative Assembly (MLAs). Both plans are administered by the Management and Services Board of the Legislative Assembly. The plans provide pensions based on length of service and final average earnings. They provide inflation protection based on increases in the Consumer Price Index.

The first plan is the Legislative Assembly Retiring Allowances Fund (LARAF), a registered and contributory defined benefit pension plan established under the *Legislative Assembly Retiring Allowances Act*. The Office of the Legislative Assembly operates a separate pension fund in trust to administer LARAF contributions and allowances. The fund came into effect on April 1, 1999.

The second plan is the Supplementary Retiring Allowances Fund (SRAF), a voluntary non-registered, non-contributory defined benefit pension plan established under the *Supplementary Retiring Allowances Act* for MLAs who elect to participate. Payments and expenses related to the SRAF are paid from the Government's consolidated revenue fund. This plan came into effect during the 2001-02 year, and provides for benefits retroactive to April 1, 1999.

There have been no plan amendments, plan settlements and curtailments or temporary deviations from these plans in 2010 (no changes in 2009).

Actuarial valuations were completed for these plans as of April 1, 2007. The valuations were based on a number of assumptions about future events including inflation rates (3.5%), interest rates (inflation, plus 3%), return on assets (inflation, plus 3%), increases in remuneration (inflation, plus 1%), and mortality. The assumptions used reflect the best estimates as approved by the Management and Services Board of the Legislative Assembly. The valuations were performed using the projected unit credit actuarial cost method. The asset valuation method, market-related value, for the LARAF plan is equal to a smoothed market value which spreads the difference between the actual and expected investment income over a four year period. The effective date of the next actuarial valuations for these plans is April 1, 2010.

Retirement benefits are payable to MLAs based on a percentage of the average best earnings over four consecutive years as a MLA and as a Minister, Speaker or Chairperson (if applicable) multiplied by credited service as a MLA and for each of the three positions (if applicable). A position must be held for a least one year, and the pension for each position is calculated separately. The percentages used to calculate retirement benefits are 2% for the LARAF and 3% for the SRAF.

The normal retirement age under both of these plans is the earliest of (a) age 60, (b) 30 years of service, or (c) age plus service equals 80. A MLA may retire at any time upon ceasing to be a MLA. Early retirement results in a pension reduction of 0.25% for each month a MLA retires before the Normal Retirement Age. The late retirement age for MLAs is up to age 69.

The pension liabilities represent the excess of the actuarial present value of accrued pension benefits over the actuarial value of net assets available for benefits.

10 PENSION AND OTHER EMPLOYEE FUTURE BENEFIT LIABILITIES (continued)

Based on information provided for the year by the plans' actuary, the MLA pension liabilities as of March 31 are as follows.

	LARAF	SRAF	2010	2009
Accrued benefit obligation	$ 3,154	$ 5,590	$ 8,744	$ 8,738
Deduct:				
Pension fund assets	3,493	-	3,493	2,817
Unamortized actuarial (gain) loss	21	(224)	(203)	1,054
	3,514	(224)	3,290	3,871
Pension (asset) liability	$ (360)	$ 5,814	$ 5,454	$ 4,867

As at March 31, 2010, LARAF pension fund assets had a market value of $3,251 (2009 - $3,267). The actual rate of return was positive 23.86% (2009 - negative 14.97%). The SRAF has no pension fund assets; however, the pension liability is to be funded all or in part by designated investments (see Note 5).

The total expenses related to MLA pensions include the following components.

	LARAF	SRAF	2010	2009
Current period benefit cost	$ 563	$ 802	$ 1,365	$ 1,302
Amortization of actuarial (gains) losses	323	(226)	97	(218)
	886	576	1,462	1,084
MLAs contributions	(175)	-	(175)	(160)
Pension expense	711	576	1,287	924
Interest cost on the average accrued benefit obligation	254	363	617	589
Expected return on the average pension plan assets	(198)	-	(198)	(288)
Pension interest expense	56	363	419	301
Total expenses related to pensions	$ 767	$ 939	$ 1,706	$ 1,225

Pension benefits paid for the LARAF and SRAF were $1,181 and $754, respectively (2009 - $1,223 and $605, respectively).

The Government's contributions related to the LARAF and SRAF during the year were $1,840 and $821, respectively (2009 - $454 and $776, respectively).

11 LONG TERM DEBT AND BORROWING AUTHORITY LIMIT

Loans and mortgages payable	2010	2009
Loans payable to Canada Mortgage and Housing Corporation, repayable in annual instalments of $5,142 to the year 2032, bearing interest at a rate of 6.97% (2009 - 6.97%).	$ 18,415	$ 19,329
Mortgage payable in annual instalments of $554 to the year 2020, bearing interest at a rate of 6.803% (2009 - 6.803%) compounded semi-annually.	4,172	4,433
Redeemable 20 year amortizing debenture, bearing interest at a rate of 6.809% (2009 - 6.809%) due September 27, 2021. Repayable in blended semi-annual payments of $2,848 with a balloon payment of $17,502 at the end of the term.	51,988	54,039
Non-revolving floating rate term loan facility with payments of $58 due monthly beginning April 30, 2007 with the final payment due March 30, 2017. Interest at bank prime less 0.5% in 2010 varied from 1.75% to 2.00% (2009 - 2.5% to 4.75%).	4,900	5,600
Non-revolving floating rate term loan facility with payments of $67 due monthly beginning November 21, 2007 with the final payment due October 21, 2017. Interest at bank prime less 0.5% in 2010 varied from 1.75% to 2.00% (2009 - 2.5% to 4.75%).	6,133	6,934
	$ 85,608	$ 90,335

11 LONG TERM DEBT AND BORROWING AUTHORITY LIMIT (continued)

Principal and interest amounts due in each of the next five fiscal years and thereafter are as follows.

	Principal	Interest	Total
2011	$ 4,952	$ 5,397	$ 10,349
2012	5,192	5,112	10,304
2013	5,450	4,808	10,258
2014	5,727	4,486	10,213
2015	6,021	4,128	10,149
2016 and beyond	58,266	20,089	78,355
	$ 85,608	$ 44,020	$ 129,628

Interest expense on long term debt was $6,741 for the year (2009 - $7,327). The interest paid on long term debt during the year was $5,581 (2009 - $6,051).

Borrowing Authority

The Governor in Council, pursuant to subsection 27(2) of the *Nunavut Act*, has approved Government borrowing up to $200 million.

	2010	2009
Qulliq Energy Corporation, long term debt	$ 63,021	$ 66,573
Nunavut Housing Corporation, long term debt	18,415	19,329
Government of Nunavut, mortgage payable	4,172	4,433
	85,608	90,335
Qulliq Energy Corporation, bank overdraft liability	10,597	10,437
Nunavut Development Corporation, subsidiary credit facilities	12	72
Total debt	96,217	100,844
Authorized borrowing limit	200,000	200,000
Available borrowing capacity	$ 103,783	$ 99,156

The Government of Nunavut guarantees the long term debt of Qulliq Energy Corporation and Nunavut Housing Corporation as well as the bank overdrafts of Qulliq Energy Corporation and Nunavut Development Corporation.

As part of their financing, Nunavut Development Corporation subsidiaries have arranged various credit facilities at different terms and interest rates. Nunavut Development Corporation has provided a guarantee for these credit facilities.

12 CAPITAL LEASE OBLIGATIONS

Capital lease obligations are based upon the minimum lease payments for leases in effect as of March 31.

	2010	2009
Total minimum lease payments	$ 140,818	$ 163,825
Less: imputed interest	(37,675)	(46,778)
Less: executory costs	(5,388)	(6,631)
Present value of minimum lease payments	$ 97,755	$ 110,416

Future minimum lease payments for each of the next 5 years and thereafter are as follows.

2011	$ 16,765
2012	16,749
2013	16,735
2014	16,025
2015	13,272
2016 and beyond	61,272
	$ 140,818

12 CAPITAL LEASE OBLIGATIONS (continued)

Lease payments are allocated between repayments of the liability, interest expense and any related executory costs. The total minimum lease payments less the initial liability and executory costs represents the total interest cost of the lease. The interest expense is calculated using the same discount rate used in computing the present value of the minimum lease payments applied to the outstanding lease liability at the beginning of the lease payment period.

Interest expense related to capital lease obligations for the year was $8,920 (2009 - $8,264) at an implied average interest rate of 9.1% (2009 - 7.5%). The capital lease obligations expire between 2013 and 2027.

13 DEFERRED REVENUE AND CAPITAL CONTRIBUTIONS

	2010	2009
Deferred revenue		
Building Canada Fund	$ 56,642	$ 33,810
Gas Tax Agreement	17,806	12,722
Territorial Health Access Fund	-	6,329
Other deferred revenue	5,769	7,997
	80,217	60,858
CMHC Social Housing Agreement	112,139	103,368
CMHC other capital contributions	38,936	-
Other deferred capital contributions	51,032	19,170
	202,107	122,538
	$ 282,324	$ 183,396

The deferred capital contributions balance includes $112,139 (2009 - $103,368) relating to the 1999 Social Housing Agreement, under the terms of which the Canadian Mortgage and Housing Corporation (CMHC) transferred social housing assets to the Nunavut Housing Corporation (NHC) in exchange for loans payable by NHC to CMHC. The financial assistance provided to NHC in the transfer of the social housing assets has been deferred and is being recognized as revenue over the service life of the associated tangible capital assets.

14 EXPENSES BY TYPE

	2010	2009 (Restated - Note 3)
Compensation and employee benefits	$ 439,796	$ 393,879
Grants and contributions	175,570	168,096
Goods and services	799,961	792,501
Amortization of tangible capital assets	77,000	71,623
Interest expense	12,919	13,406
Increase in valuation allowances	496	6,266
	$ 1,505,742	$ 1,445,771

15 CONTRACTUAL OBLIGATIONS

The Government has entered into agreements for, or is contractually obligated for, the following payments subsequent to March 31, 2010.

	Year of Expiration		Total
Commitments under operating leases	2027	$	196,371
Capital commitments	2014		97,658
Policing agreement	2012		51,222
Other commitments	2016		30,400
		$	375,651

Contractual obligations by fiscal year are as follows.

2011	$	174,522
2012		64,477
2013		25,906
2014		20,915
2015		17,018
2016 and beyond		72,813
	$	375,651

16 CONTINGENCIES

(a) Post-division adjustments

The agreement governing the division of assets and liabilities between the Government of Nunavut and the Government of the Northwest Territories as at April 1, 1999 sets out a mechanism which provides for post-division adjustments.

The period for such adjustments is unlimited; and such adjustments could be made in a variety of specified circumstances such as the settlement of litigation related to events prior to the date of division. In such an event, there is an opportunity for one of the governments to file a claim against the other government to share in costs. Post-division adjustments will be recognized in the year the liability can be reasonably estimated.

(b) Environmental restoration costs

The Government recognizes that there are costs related to the restoration of any contaminated sites situated on lands within the Territory. Liabilities have been accrued in the consolidated financial statements when it has been determined that the Government is liable for a contaminated site and where a reasonable estimate of the remediation costs can be made. The Government's ongoing efforts to assess contaminated sites may result in additional environmental liabilities related to newly identified sites, or changes in the assessments or intended use of existing sites. Any additional liabilities will be accrued in the year in which they become known.

The Government will continue to implement a program of site inspection, assessment and remediation on an ongoing basis. To facilitate this, the Government has established a committee to ensure all existing and potential liabilities are identified and appropriate actions initiated. This is an ongoing process which should show continuous improvement each year as the Government continues to work in a practical manner towards the determination and appropriate recognition of its environmental liabilities within the Territory.

(c) Litigation

More individuals have come forward alleging abuse by a former school teacher in the Territory when it was part of the Northwest Territories. Pursuant to agreements negotiated prior to the division of the territories, the Nunavut and Northwest Territories governments will jointly defend the action. The costs of defending the action and any damages that may eventually be awarded will be shared by the two governments 44.34% and 55.66%, respectively. An estimate of the Government's share of the loss that may result from these suits has been accrued; however, the final outcome may vary significantly from this estimate.

16 CONTINGENCIES (continued)

A number of new cases of alleged sexual abuse by former employees or contractors in Nunavut when it was part of the Northwest Territories have been filed, or are pending, in addition to the case disclosed above. The Nunavut and Northwest Territories governments will jointly defend any such proceedings and the cost of defending the actions and any damages that may eventually be awarded will be shared by the two governments 44.34% and 55.66%, respectively. An estimate of any liability that may result from these actions is not determinable at this time; consequently no liability has been accrued.

There are a number of claims and threatened litigation cases outstanding against the Government for which the outcomes are not determinable, including a number of cases where an amount is not specified. The nature of these claims include wrongful dismissal, breach of policy or contract, personal injury, sexual abuse, medical negligence, wrongful arrest and assault. As of March 31, 2010, all of these claims have been assessed as being either without merit or not determinable at this time.

(d) Pay Equity

There are a number of pay equity claims outstanding against the Government of Nunavut primarily for job rating evaluations of specific trades. The Government is working with Nunavut Government Employee Union in order to resolve the claims. However, the outcome of these claims is not currently known. As of March 31, 2010, no provision has been made in these financial statements.

(e) Other

Under the terms of the Social Housing Agreement with Canadian Mortgage and Housing Corporation (CMHC), Nunavut Housing Corporation (NHC) is responsible for the administration of a number of loans to third parties, where CMHC is the lender or insurer of these loans. The agreement provides that NHC shall indemnify and reimburse CMHC for, and save it harmless from, all losses, costs and expenses related to these loans. The value of these third party loans is approximately $3,062 as at March 31, 2010 (2009 - $3,265).

17 PROJECTS FUNDED UNDER THIRD-PARTY AGREEMENTS

Under agreements with the Government of Canada and others, the government receives full or partial funding for eligible expenses incurred on various specific projects. The following is a summary of the various project-related revenues and expenses funded during the year.

		2010	2009
Revenues			
	From the Government of Canada	$ 99,565	$ 67,924
	From others	3,862	4,999
	Total revenues	$ 103,427	$ 72,923
Expenses			
	Compensation and benefits	$ 14,783	$ 14,760
	Grants and contributions	30,391	29,527
	Other expenses	57,006	27,313
	Amortization of tangible capital assets	1,247	1,323
	Total expenses	$ 103,427	$ 72,923

18 RELATED PARTY TRANSACTIONS

Significant related party transactions and balances are disclosed separately in these consolidated financial statements.

19 TRUSTS UNDER ADMINISTRATION

The Government administers trust accounts on behalf of third parties, which are not included in the reported Government assets and liabilities.

		2010		2009
Public Trustee	$	4,096	$	3,984
Victims' Assistance Trust		289		308
Natural Resources Conservation Trust		277		276
Millennium Scholarship Fund		8		61
Scholarship Fund		41		41
Territorial Court Trust		129		142
Maintenance Enforcement Trust		50		54
Young Offenders Welfare Trust		18		12
Baffin Correctional Centre Welfare Trust		8		25
Baffin Correctional Centre Inmate Trust		25		23
Young Offenders Trust		6		6
Sheriff's Imprest Account		10		9
Nunavut Labour Standards Board Trust		3		-
HSS - Akausisarvik		11		11
HSS - Ikpigusukniqmut Foundation		95		95
	$	5,066	$	5,047

20 COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform to the current year's presentation.

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS

SCHEDULE A

Consolidated Schedule of Revenues by Source

for the year ended March 31, 2010

(thousands of dollars)

	2010 Actual	2009 Actual
From the Government of Canada		
Territorial Formula Financing Agreement	$ 1,022,060	$ 944,050
Transfers under third-party funding agreements	99,565	67,924
Other transfer payments	110,239	134,991
	1,231,864	1,146,965
Revenues generated by the Government of Nunavut		
Personal income tax	18,150	20,825
Corporate income tax	7,451	9,466
Fuel tax	3,408	4,367
Tobacco tax	12,305	11,956
Insurance tax	852	713
Property tax	1,534	1,502
Payroll tax	17,616	17,087
Sales		
Petroleum Products Revolving Fund - before cost of goods sold of $80,108 (2009 - $114,895)	115,627	138,245
Liquor Revolving Fund - before cost of goods sold of $2,582 (2009 - $2,272)	5,421	5,117
Nunavut Development Corporation - before cost of goods sold of $6,158 (2009 - $6,426)	6,750	6,737
Qulliq Energy Corporation - power sales	49,030	47,043
Staff housing recoveries	15,544	15,634
Transfers under third-party funding agreements	3,862	4,999
Recoveries of prior years expenditures	11,968	9,497
Other revenues	38,683	49,511
	308,201	342,699
Total revenues	$ 1,540,065	$ 1,489,664

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS

SCHEDULE B

Consolidated Schedule of Tangible Capital Assets
for the year ended March 31, 2010
(thousands of dollars)

	Buildings	Leased Buildings	Storage	Tank Farms	Equip-ment	Heavy Equip-ment	Electric Power Plants	Transmission Distribution Systems	Infra-structure	Land	2010	2009 (Restated - Note 3)
Cost of tangible capital assets												
Opening balance (restated - Note 3)	1,165,015	162,241	41,856	113,111	55,194	1,359	147,609	25,351	108,896	449	1,821,081	1,746,338
Additions	4,190	-	7,019	617	10,453	-	-	1,956	106	101	24,442	10,125
Transfers from work in progress	157,247	-	276	3,283	3,293	-	9,677	-	6,713	-	180,489	68,945
Disposals	(1,322)	(6,713)	-	-	(841)	-	(3,943)	(9)	-	(122)	(12,950)	(4,327)
Closing balance	1,325,130	155,528	49,151	117,011	68,099	1,359	153,343	27,298	115,715	428	2,013,062	1,821,081
Accumulated amortization												
Opening balance (restated - Note 3)	(413,650)	(46,616)	(17,180)	(36,152)	(45,077)	(714)	(56,344)	(12,396)	(34,684)	-	(662,813)	(593,423)
Amortization	(49,411)	(5,311)	(1,557)	(3,900)	(7,852)	(79)	(4,468)	(785)	(3,637)	-	(77,000)	(71,623)
Disposals	667	1,950	-	-	381	-	3,082	3	-	-	6,083	2,233
Closing balance	(462,394)	(49,977)	(18,737)	(40,052)	(52,548)	(793)	(57,730)	(13,178)	(38,321)	-	(733,730)	(662,813)
Work in progress												
Opening balance (restated - Note 3)	201,277	-	276	20,785	3 759	-	24,085	-	29,517	-	279,699	189,364
Additions	186,156	-	4	7,817	13,020	-	5,022	-	7,274	-	219,293	159,280
Transfer to tangible capital assets	(157,247)	-	(276)	(3,283)	(3,293)	-	(9,677)	-	(6,713)	-	(180,489)	(68,945)
Closing balance	230,186	-	4	25,319	13,486	-	19,430	-	30,078	-	318,503	279,699
Net book value	$ 1,092,922	$105,551	$30,418	$102,278	$29,037	$ 566	$ 115,043	$ 14,120	$ 107,472	$ 428	$ 1,597,835	$ 1,437,967
Estimated useful life	**30 years**	**30 years**	**30 years**	**30 years**	**5 years**	**5-40 years**	**20-40 years**	**20-40 years**	**30 years**			

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Consolidated Schedule of Segmented Information
for the year ended March 31, 2010
(thousands of dollars)

SCHEDULE C

	Consolidated Revenue Fund	Revolving Funds	Territorial Corporations	Total for All Segments	Consolidation Adjustments (1)	2010	2009 (Restated - Note 3)
Revenues							
From the Government of Canada							
Territorial formula financing agreement	$ 1,022,060	$ -	$ -	$ 1,022,060	$ -	$ 1,022,060	$ 944,050
Transfers under third-party funding agreements	98,245	-	1,320	99,565	-	99,565	67,924
Other transfer payments	80,286	-	29,953	110,239	-	110,239	134,991
	1,200,591	-	31,273	1,231,864	-	1,231,864	1,146,965
Generated by the Government of Nunavut							
Corporate and personal income taxes	25,601	-	-	25,601	-	25,601	30,291
Other taxes	35,715	-	-	35,715	-	35,715	35,625
Sales	-	174,228	142,468	316,696	(139,868)	176,828	197,142
Transfers under third-party funding agreements	3,862	-	-	3,862	-	3,862	4,999
General	28,580	-	198,067	226,647	(172,420)	54,227	65,145
	93,758	174,228	340,535	608,521	(312,288)	296,233	333,202
Recoveries of prior years expenditures	13,668	-	-	13,668	(1,700)	11,968	9,497
Total revenues	1,308,017	174,228	371,808	1,854,053	(313,988)	1,540,065	1,489,664
Expenses							
Compensation and employee benefits	370,014	4,324	65,108	439,446	350	439,796	393,879
Grants and contributions	343,237	-	7,152	350,389	(174,819)	175,570	168,096
Goods and services	507,161	152,542	262,537	922,240	(122,279)	799,961	792,501
Amortization of tangible capital assets	36,826	830	32,545	70,201	6,799	77,000	71,623
Interest expense	5,990	2	7,205	13,197	(278)	12,919	13,406
Increase in valuation allowances	(2,598)	849	3,995	2,246	(1,750)	496	6,266
Total expenses	1,260,630	158,547	378,542	1,797,719	(291,977)	1,505,742	1,445,771
Surplus for the year	$ 47,387	$ 15,681	$ (6,734)	$ 56,334	$ (22,011)	$ 34,323	$ 43,893

(1) - Includes adjustments to eliminate inter-entity balances to comply with generally accepted accounting principles. For example, contributions by departments to revolving funds, territorial corporations and other agencies (i.e., consolidated entities) are shown in Grants and contributions expense under the "Consolidated Revenue Fund" column, while the amounts received by the applicable consolidated entity group are shown as revenues in their respective columns. These amounts are eliminated upon consolidation to avoid double-counting and results in significant amounts shown in the 'Consolidation Adjustments' column.

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SECTION II

NON-CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Non-Consolidated Statement of Financial Position (unaudited)
as at March 31, 2010
(thousands of dollars)

	2010	2009 (Restated - Note 3)
Financial assets		
Cash and cash equivalents (Note 4)	$ 202,683	$ 246,056
Due from the Government of Canada (Note 5)	80,942	68,637
Revenues receivable (Note 6)	66,318	67,335
Inventories for resale (Note 7(a))	90,776	90,981
Loans receivable (Note 8)	16,936	21,013
Designated investments (Note 9)	6,147	5,907
Total financial assets	463,802	499,929
Liabilities		
Accounts payable and accrued liabilities (Note 10)	232,741	290,397
Other employee future benefits (Note 11)	17,149	17,614
Capital lease obligations (Note 12)	77,485	86,280
Mortgage payable (Note 13)	4,172	4,433
Pension liabilities (Note 14)	5,454	4,867
Deferred revenue and capital contributions (Note 15)	124,972	79,638
Total liabilities	461,973	483,229
Net financial assets (debt)	1,829	16,700
Non-financial assets		
Tangible capital assets (Schedule C)	941,430	864,431
Inventories for use (Note 7(b))	2,251	1,967
Prepaid expenses	2,818	2,162
Total non-financial assets	946,499	868,560
Accumulated surplus	$ 948,328	$ 885,260

Contractual obligations (Note 17)
Contingencies (Note 18)

The accompanying notes and schedules are an integral part of these non-consolidated financial statements.

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Non-Consolidated Statement of Operations and Accumulated Surplus (unaudited)
for the year ended March 31, 2010
(thousands of dollars)

	2010 Budget	2010 Actual	2009 Actual (Restated - Note 3)
Revenues (Schedule A)			
From the Government of Canada	$ 1,203,549	$ 1,200,591	$ 1,114,645
Tax revenues generated by the Government of Nunavut	53,860	61,316	65,916
Other revenues generated by the Government of Nunavut	67,754	70,800	67,530
Recoveries of prior years expenditures	-	13,668	11,797
Total revenues	1,325,163	1,346,375	1,259,888
Expenses (Schedule B)			
Operations and maintenance before amortization	1,147,898	1,202,623	1,128,335
Amortization of tangible capital assets	42,327	37,656	36,571
Total operations and maintenance	1,190,225	1,240,279	1,164,906
Total capital expenditures in the year	120,766	160,453	188,621
Capital expenditures transferred to tangible capital assets	(82,163)	(117,425)	(70,997)
Capital expenditures expensed in the year	38,603	43,028	117,624
Total expenses	1,228,828	1,283,307	1,282,530
Surplus (deficit) for the year	96,335	63,068	(22,642)
Accumulated surplus, beginning of the year		885,260	907,902
Accumulated surplus, end of the year		$ 948,328	$ 885,260

The accompanying notes and schedules are an integral part of these non-consolidated financial statements.

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Non-Consolidated Statement of Change in Net Financial Assets (Debt) (unaudited)
for the year ended March 31, 2010
(thousands of dollars)

	2010 Budget	2010 Actual	2009 Actual (Restated - Note 3)
Surplus (deficit) for the year	$ 96,335	$ 63,068	$ (22,642)
Tangible capital assets (Schedule C)			
Additions	(82,163)	(118,266)	(70,997)
Disposals	-	3,611	-
Amortization	42,327	37,656	36,571
	(39,836)	(76,999)	(34,426)
Net use (additions) of inventories for use	-	(284)	(690)
Net use (additions) of prepaid expenses	-	(656)	(609)
	-	(940)	(1,299)
Change in net financial assets (debt) for the year	56,499	(14,871)	(58,367)
Net financial assets (debt), beginning of the year		16,700	75,067
Net financial assets (debt), end of the year		$ 1,829	$ 16,700

The accompanying notes and schedules are an integral part of these non-consolidated financial statements.

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Non-Consolidated Statement of Cash Flow (unaudited)
for the year ended March 31, 2010
(thousands of dollars)

	2010	2009 (Restated - Note 3)
Cash provided by (used for) government operations:		
Transfers from the Government of Canada	$ 1,246,472	$ 1,137,119
Taxes	59,066	70,466
Other government revenues	203,699	247,308
Interest on capital leases and mortgage	(5,691)	(6,409)
Compensation and employee benefits	(371,148)	(338,177)
Grants and contributions	(429,901)	(312,350)
Goods and services	(625,932)	(724,299)
Cash provided by (used for) government operations	76,565	73,658
Cash provided by (used for) capital activities:		
Tangible capital assets acquisitions	(118,266)	(70,997)
Tangible capital assets disposals	3,611	-
Cash provided by (used for) capital activities	(114,655)	(70,997)
Cash provided by (used for) investing activities:		
Loans to municipalities, businesses and individuals	(118)	(444)
Loan repayments received	4,131	503
Designated investments	(240)	(247)
Cash provided by (used for) investing activities	3,773	(188)
Cash provided by (used for) financing activities:		
Principal payments on capital leases	(8,795)	(4,922)
Principal payments on mortgage payable	(261)	(243)
Cash provided by (used for) financing activities	(9,056)	(5,165)
Increase (decrease) in cash and cash equivalents	(43,373)	(2,692)
Cash and cash equivalents, beginning of the year	246,056	248,748
Cash and cash equivalents, end of the year (Note 4)	$ 202,683	$ 246,056

The accompanying notes and schedules are an integral part of these non-consolidated financial statements.

1 AUTHORITY AND OPERATIONS

(a) Government of Nunavut

The Government of Nunavut (the Government) operates under the authority of the *Nunavut Act*. The Government has an elected legislative assembly which authorizes all disbursements, advances, loans and investments, except those specifically authorized by statute.

(b) Main Estimates

The Main Estimates are those tabled before the Legislative Assembly during the June 2009 session and represent the Government's original fiscal plan for the year. The Revised Estimates are these original Main Estimates adjusted to reflect Supplementary Appropriations and/or Transfers. Expenditures through Vote 4 represent the share of eligible costs funded under agreement with the Government of Canada or others, and are not part of the annual Appropriations Act approved by the Legislative Assembly.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Financial statements

These non-consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP) for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants with the exception that they are not consolidated and certain revenues are reported net of expenses.

Pursuant to Section 74 of the *Financial Administration Act*, the Government also prepares consolidated financial statements, which provide an accounting of the full nature and extent of the financial affairs and resources for which the Government is responsible. The consolidated reporting entity is defined in those statements.

(b) Reporting entity

These financial statements include the assets, liabilities and operating results of the Government's Consolidated Revenue Fund, including those departments and public agencies set out in the Main Estimates, as well as the following revolving funds:

Fur Marketing Service Revolving Fund
Liquor Revolving Fund
Nunavut Outfitters Liability Protection Revolving Fund
Petroleum Products Revolving Fund
Public Stores Revolving Fund
Student Loan Revolving Fund

Revolving funds are established by the Government to provide the required working capital to deliver goods and services to the general public and to Government departments.

The following related Government agencies are included in these statements only to the extent of the Government's contributions to them during the year:

Nunavut Arctic College
Nunavut Business Credit Corporation
Nunavut Development Corporation
Nunavut Housing Corporation
Qulliq Energy Corporation
District Education Authorities

(c) Use of estimates and measurement uncertainty

The preparation of financial statements in accordance with GAAP requires the Government to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements. By their nature, these estimates and assumptions are subject to measurement uncertainty. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant, although, at the time of preparation of these financial statements, the Government believes the estimates and assumptions to be reasonable. The more significant areas where estimates and assumptions have been used to prepare these financial statements include:

(i) Income tax revenue (collected by the Government of Canada on the Government's behalf) and grant revenues from the Government of Canada in areas such as the Canada Health Transfer and Canada Social Transfer. These revenues and grants are subject to revision by the Government of Canada in future years; and

(ii) Allowance for doubtful accounts, loan valuation allowances, provision for losses on loan guarantees, amortization of tangible capital assets and employee future benefits.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Cash and cash equivalents

Cash and cash equivalents are comprised of bank account balances net of outstanding cheques and short term highly liquid investments that are readily convertible to cash. Short term investments are recorded at the lower of cost or market value.

Interest income is recognized on an accrual basis, dividend income is recognized when declared, and capital gains and losses are recognized as incurred. Unrealized losses in designated cash and in long term investments are recognized when it is determined that there is a permanent impairment in the value of the investments and are included as a component of investment income.

(e) Inventories

Inventories for resale include bulk fuel and liquor products. Bulk fuel inventory is valued at the lower of weighted average cost or net realizable value. Liquor products inventory is valued at the lower of cost or net realizable value on a first-in, first-out basis. Inventory for use includes health and medical supplies valued at the lower of cost or replacement cost, with the cost being determined on a first-in, first-out basis.

(f) Loans receivable

Loans receivable are valued at the lower of cost or net recoverable value. Based on the circumstances known at the date the financial statements are prepared, including past events and current conditions, valuation allowances are recorded when collection is considered doubtful or when the value of a loan receivable is impaired. Interest revenue is recorded on an accrual basis when the collectability of both principal and interest are reasonably assured. An uncollectible or impaired loan receivable balance can be written off only upon receipt of required statutory approvals.

(g) Non-financial assets

Non-financial assets, including tangible capital assets, inventories for use and prepaid expenses, are accounted for by the Government only if they are expected to be used to provide government services in future years. These assets would not normally be used to provide financial resources to discharge liabilities of the Government unless they were sold. Non-financial assets are amortized or charged to expenses in future periods as they are used to provide or support the provision of government services.

(h) Tangible capital and leased assets

Tangible capital assets are non-financial assets whose useful life exceeds one fiscal year and are intended to be used on an ongoing basis for delivering government services. They may include such diverse items as buildings, vehicles, equipment, aircraft and computer hardware and software systems. Tangible capital assets with a cost of less than fifty thousand dollars are fully expensed in the year of acquisition.

Tangible capital assets are recorded at cost, or where actual cost is not available, estimated current replacement cost converted back to the date of purchase by discounting current year dollars for inflation. Gifted and cost-shared tangible capital assets are recorded at fair market value upon receipt or cost, respectively, with the gifted or cost-shared portion recorded as a deferred capital contribution. This deferred capital contribution is amortized as revenue on the same basis as the related asset is amortized.

Leased assets that meet the definition of a tangible capital asset, except that they are held under lease by the Government, are capitalized and reported as such if, in substance, their terms and conditions transfer substantially all of the benefits and risks of ownership to the Government. Legal ownership may not necessarily have been transferred. The lease liability and corresponding asset are recorded based on the present value of payments due over the course of the lease. The present value is based on a specified rate or the Government's borrowing rate at the time the obligation is incurred.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible capital assets, when placed into service, are amortized on a straight-line basis over their estimated useful life based on the following guidelines:

Asset Category	Amortization Period
Land	Not amortized
Buildings	30 years
Leased Buildings	30 years
Infrastructure	30 years
Tank Farms	30 years
Storage Facilities	30 years
Equipment	5 years

In the year a tangible capital asset is acquired or put into service, amortization is taken for the full year. Tangible capital assets under construction or development are recorded as work in progress with no amortization taken until the year the asset is placed into service.

Tangible capital assets acquired by right, such as Crown lands, water and mineral resources, are not recorded in the financial statements. The cost of works of art and museum collections consisting mainly of paintings, sculptures, drawings, prints and photographs are charged to expense in the year they are acquired.

(i) Pension and other employee future benefits

Pension benefits

All eligible employees participate in the Public Service Pension Plan administered by the Government of Canada. The Government contributes at a rate of 2.14 times (2009 - 2.14 times) the employee's contribution. The Government's contributions are charged as an expense on a current year basis and represent the total pension obligations. The Government is not required under present legislation to make contributions with respect to actuarial deficiencies of the Plan.

The costs and obligations for the Government's pension benefits to Members of the Legislative Assembly are determined on an actuarial basis. This is done to determine the current value of future entitlements and uses various estimates. When actual experience varies from estimates, the adjustments needed are amortized over the estimated average remaining service lives of the contributors.

Non-pension employee future benefits

Under the terms and conditions of employment, Government employees may earn severance and removal benefits based on years of service. These benefits are paid upon resignation, retirement or death of the employee. The estimated liability and related expenses for these benefits are recorded as employees earn them. Termination benefits are recorded when employees are identified for lay-off. For 2010, an actuarial valuation of the cost of these benefits has been prepared using data provided by management and assumptions based on management's best estimates. The 2009 cost of the benefits had been determined based on an actuarial valuation.

(j) Revenues

Unless otherwise stated, all revenues are reported on an accrual basis in the period in which transactions or events give rise to the revenues. Specific revenue accounting policies are as follows:

Transfers from the Government of Canada

Grants from the Government of Canada are recognized as revenue when entitlement for the transfer occurs. The Government receives a Formula Financing grant from the Government of Canada. For the years 2007-08 to 2013-14, the Government of Canada has, under Bill C-52, the *Budget Implementation Act, 2007*, restored the Formula Financing grant to a principle-based arrangement. Health and social transfers are recorded in accordance with the *Federal-Provincial Fiscal Arrangements Act* (Canada). Adjustments for health and social transfer revenues are made in the year they are known.

Other transfers from the Government of Canada are recognized as revenue in the period that the events giving rise to the transfer occur as long as: (i) the transfer is authorized; (ii) the Government has met eligibility criteria, if any; and (iii) a reasonable estimate of the amount of the transfer can be made. Transfers received before these are fully met are recorded as deferred revenue until the criteria are met.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxes and general revenues

Income tax revenue is recognized on an accrual basis. Taxes, under the *Income Tax Act*, are collected by the Government of Canada on behalf of the Government under a tax collection agreement and are remitted to the Government monthly. The remittances are based on the Government of Canada's Department of Finance estimates for the taxation year, which are periodically adjusted until the income tax assessments for that year are finalized.

Fuel, tobacco, and payroll taxes are levied under the authority of the *Petroleum Products Tax Act*, the *Tobacco Tax Act* and the *Payroll Tax Act*, respectively. Revenues are recognized on an accrual basis based on the statements received from collectors or employers. Adjustments from reassessments are recorded in revenue in the year they are identified.

Property taxes are assessed on a calendar year basis and are recorded on an accrual basis in the fiscal year.

Other taxes are accrued based on information provided by those parties which collect tax on the Government's behalf.

(k) Expenses

Expenses are recorded on an accrual basis.

Grants and contributions are recorded as expenses when the following criteria are all met: (i) the grant or contribution has the necessary authorization; (ii) the recipient has met eligibility criteria, if any; and (iii) a reasonable estimate of the transfer can be made.

Grants or contributions paid prior to all three conditions being met are accounted for as prepaid expenses until all conditions are met.

(l) Recoveries of prior years expenditures

Recoveries of prior years expenditures and reversals of prior years expenditure accruals are reported separately from other revenues on the statement of operations. Pursuant to the *Financial Administration Act*, these recoveries cannot be used to increase the amount appropriated for current year expenditures.

(m) Contractual obligations and contingencies

The nature of the Government's activities requires negotiation of contracts that are significant in relation to its current financial position or that will materially affect the level of future expenses. Contractual commitments pertain to block funding agreements with municipalities, operating commercial leases, capital projects, and operational funding commitments. Commitments are not accrued.

The contingencies of the Government are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. If the future event is likely to occur or fail to occur and is quantifiable, an estimated liability is accrued. If the likelihood is not determinable or the amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements and no liability is accrued. Contingent liabilities result from potential environmental contingencies or pending litigation and like items.

(n) Environmental liabilities

Environmental liabilities consist of the estimated costs related to the remediation of environmentally contaminated sites. An environmental liability is accrued and an expense recorded based on management's best estimates at the time the contamination occurs or when the Government becomes aware of the contamination and is obligated or is likely obligated to incur such costs. If the likelihood of the Government's obligation to incur these costs is not determinable or if an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements and no liability is accrued. Accrued environmental liabilities are reported as part of accounts payable and accrued liabilities.

(o) Financial instruments

The fair market values of the Government's short term financial instruments, including accounts payable and accrued liabilities, cash and cash equivalents, portfolio and other investments, due from the Government of Canada and other revenues receivable approximate their carrying amounts because of their short term to maturity.

The fair value of the Government's long term financial instruments, including debt, capital lease obligations, pension liabilities and other employee future benefits, portfolio and other investments, investments and loans receivable are detailed in the related notes. Where fair value amounts are not detailed, the carrying amounts approximate their fair value.

(p) Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars using the exchange rates at year end. Foreign currency revenues and expenses are translated into Canadian dollars using rates in effect at the time the transactions were entered into. Exchange gains and losses are accounted for in the revenue or expense balances to which they relate.

3 RESTATEMENT OF 2009 CAPITAL ASSETS BALANCE

As a result of a review of the items included in government's tangible capital assets balance, significant adjustments, including restatement of previously reported balances, were reflected in the March 31, 2009 financial statements. During the tangible capital asset accounting for the current year, the following additional adjustments were identified and have been reflected in these financial statements retroactively.

It was determined that items with a combined net book value of $3,967 included in the March 31, 2009 tangible capital asset balance previously reported did not qualify as government's tangible capital assets and should have been expensed. The respective cost, accumulated amortization and work in progress balances for these items have been removed from the buildings, infrastructure, storage facilities and equipment categories through a restatement of the balances previously reported in the March 31, 2009 non-consolidated schedule of tangible capital assets (Schedule C).

4 CASH AND CASH EQUIVALENTS

The balance of $202,683 (2009 - $246,056) is comprised of cash balances the Government has with the following chartered banks and short term investments.

	2010	2009
Royal Bank of Canada	$ 74,109	$ 206,868
Canadian Imperial Bank of Commerce	990	19,654
Guaranteed investment certificates	18,684	-
Treasury investments	108,900	19,534
	$ 202,683	$ 246,056

Cash balance includes $506 (2009 - $482) of restricted cash reserved for land titles.

Treasury investments are in the short term money market. The market yield of this portfolio ranged from 0.55% to 0.94% in 2010 (2009 - 0.79% to 3.35%). All instruments held are in high quality debt obligations, rated R-1 Low or better by the Dominion Bond Rating Service, with an average term to maturity of 112 days (2009 - 187 days).

5 DUE FROM THE GOVERNMENT OF CANADA

	2010	2009
Grant receivable:		
From the Government of Canada (Schedule A)	$ 1,022,060	$ 944,050
Less: Payments received	(1,022,060)	(944,050)
Balance of grant receivable, beginning of the year	-	-
Balance of grant receivable, end of the year	-	-
Other receivables:		
Other receivables from the Government of Canada	80,942	68,637
	$ 80,942	$ 68,637

The amounts due from the Government of Canada are non-interest bearing. The carrying amounts approximate fair market value because of the short term to maturity.

6 REVENUES RECEIVABLE

	2010	2009
Receivable by funds		
General Fund	$ 39,255	$ 42,774
Petroleum Products Revolving Fund	40,449	39,429
Liquor Revolving Fund	56	74
Public Stores Revolving Fund	18	21
Fur Marketing Service Revolving Fund	-	1,359
	79,778	83,657
Less: Allowance for doubtful accounts	(13,460)	(16,322)
	$ 66,318	$ 67,335
Receivable by relation with the creditors		
Nunavut Arctic College	$ 6,184	$ 5,328
District Education Authorities	323	210
Nunavut Business Credit Corporation	191	136
Nunavut Development Corporation	38	36
Nunavut Housing Corporation	6,102	13,341
Qulliq Energy Corporation	14,960	12,510
Receivable from related parties	27,798	31,561
Other accounts receivable	51,980	52,096
	79,778	83,657
Less: Allowance for doubtful accounts	(13,460)	(16,322)
	$ 66,318	$ 67,335

7 INVENTORIES

		2010		2009
(a) For resale				
Bulk fuels	$	88,954	$	89,900
Liquor products		1,822		1,081
	$	90,776	$	90,981

The write-down for bulk fuels inventory for 2010 was $849 (2009 - $2,103).

		2010		2009
(b) For use				
Health and medical supplies	$	2,251	$	1,967

8 LOANS RECEIVABLE

		2010		2009
Working Capital advances to the Nunavut Business Credit Corporation. The term is indeterminate with the option to repay any portion of the principal on any interest payment date. Interest is calculated at selected Government of Canada three year benchmark bond yields ranging between 1.4% and 2.03% (2009 - 1.23% and 3.32%) at the end of the month, compounded annually.	$	15,318	$	19,254
Student Loan Fund loans due in instalments to 2017, bearing interest between 2.75% and 12.5%, net of the doubtful accounts and valuation allowances of $3,672 (2009 - $3,463).		1,233		1,158
Loans to municipalities due in instalments to 2017, bearing interest between 0% and 8%, net of valuation allowance of $100 (2009 - $100).		347		484
Other, including Qikiqtaq Co-op Mall Mortgage, net of valuation allowance of $304 (2009 - $240).		38		117
	$	16,936	$	21,013

9 DESIGNATED INVESTMENTS

		2010		2009
SRAF designated investments	$	6,147	$	5,907

The Supplementary Retiring Allowances Fund (SRAF) of the Legislative Assembly investments cannot be used to discharge other obligations incurred by the Government. The investments are managed by a third party. The Statement of Investment Policy establishes the eligible classes of securities, categories of issuers, limits and terms. The market value of SRAF investments at March 31, 2010 was $6,374 (2009 - $5,115) with a positive return of 23.16% (2009 - negative 16.08%).

10 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		2010		2009
Accounts payable to related parties				
Nunavut Arctic College	$	3,589	$	2,683
District Education Authorities		1,473		1,121
Nunavut Business Credit Corporation		496		45
Nunavut Development Corporation		363		318
Nunavut Housing Corporation		688		63,529
Qulliq Energy Corporation		4,970		11,251
		11,579		78,947
Other				
Accounts payable		80,391		87,405
Accrued liabilities, payroll deductions, and contractor holdbacks		84,772		86,275
Accrued environmental liabilities		10,638		9,866
Vacation pay and lieu time		17,588		14,520
Due to the Government of Canada		21,688		8,836
Due to the Government of the Northwest Territories		6,085		4,548
		221,162		211,450
	$	232,741	$	290,397

11 OTHER EMPLOYEE FUTURE BENEFITS

		2010		2009
Severance	$	7,169	$	7,952
Removal		9,980		9,662
	$	17,149	$	17,614

12 CAPITAL LEASE OBLIGATIONS

Capital lease obligations are based upon contractual minimum lease payments for the leases in effect as of March 31, 2010.

		2010		2009
Total minimum lease payments	$	109,529	$	125,340
Imputed interest		(32,044)		(39,060)
Present value of minimum lease payments	$	77,485	$	86,280

Future minimum lease payments consist of:

2011	$	10,591
2012		10,591
2013		10,591
2014		10,591
2015		10,591
2016 and beyond		56,574
	$	109,529

Lease payments are allocated between repayment of the liability and interest expense. The total minimum lease payments less the initial liability represents the total interest cost of the lease. The interest expense is calculated using the same discount rate used in computing the present value of the minimum lease payments applied to the outstanding lease liability at the beginning of the lease payment period.

Interest expense related to capital lease obligations for the year was $5,682 (2009 - $6,098) at an implied average interest rate of 7.0% (2009 - 7.0%). The capital lease obligations expire between 2020 and 2027.

13 MORTGAGE PAYABLE

	2010	2009
Mortgage payable in annual instalments to the year 2020, bearing interest at a rate of 6.803% compounded semi-annually.	$ 4,172	$ 4,433

	Principal	Interest	Total
2011	$ 279	$ 275	$ 554
2012	298	256	554
2013	319	235	554
2014	342	212	554
2015	366	188	554
2016 and beyond	2,568	526	3,094
	$ 4,172	$ 1,692	$ 5,864

Interest expense on mortgage payable was $294 for the year (2009 - $311). The interest paid on the mortgage payable during the year was $294 (2009 - $311).

14 PENSION LIABILITIES

(a) Public Service Pension Plan (PSPP)

Both the Government and its employees make contributions to the Public Service Pension Plan administered by the Government of Canada. In 2010, the Government's contributions were $26,829 (2009 - $25,782).

The amount of the Government's contributions is set by the Government of Canada and represents the Government's sole obligation under this Plan. The Government is not required under present legislation to make contributions with respect to actuarial deficiencies of the Plan.

14 PENSION LIABILITIES (continued)

(b) Legislative Assembly Retiring Allowances Plans

The Government of Nunavut sponsors two defined benefit pension plans for Members of the Legislative Assembly (MLAs). Both plans are administered by the Management and Services Board of the Legislative Assembly. The plans provide pensions based on length of service and final average earnings. They provide inflation protection based on increases in the Consumer Price Index.

The first plan is the Legislative Assembly Retiring Allowances Fund (LARAF), a registered and contributory defined benefit pension plan established under the *Legislative Assembly Retiring Allowances Act*. The Office of the Legislative Assembly operates a separate pension fund in trust to administer LARAF contributions and allowances. The fund came into effect on April 1, 1999.

The second plan is the Supplementary Retiring Allowances Fund (SRAF), a voluntary non-registered, non-contributory defined benefit pension plan established under the *Supplementary Retiring Allowances Act* for MLAs who elect to participate. Payments and expenses related to the SRAF are paid from the Government's consolidated revenue fund. This plan came into effect during the 2001-02 fiscal year, and provides for benefits retroactive to April 1, 1999.

There have been no plan amendments, plan settlements and curtailments or temporary deviations from these plans in 2010 (no changes in 2009).

Actuarial valuations were completed for these plans as of April 1, 2007. The valuations were based on a number of assumptions about future events including inflation rates (3.5%), interest rates (inflation, plus 3%), return on assets (inflation, plus 3%), increases in remuneration (inflation, plus 1%), and mortality. The assumptions used reflect the best estimates as approved by the Management and Services Board of the Legislative Assembly. The valuations were performed using the projected unit credit actuarial cost method. The asset valuation method, market-related value, for the LARAF plan is equal to a smoothed market value which spreads the difference between the actual and expected investment income over a four year period. The effective date of the next actuarial valuations for these plans is April 1, 2010.

Retirement benefits are payable to a MLA based on a percentage of the average best earnings over four consecutive years as a MLA and as a Minister, Speaker or Chairperson (if applicable) multiplied by credited service as a MLA and for each of the three positions (if applicable). A position must be held for at least one year, and the pension for each position is calculated separately. The percentages used to calculate retirement benefits are 2% for the LARAF and 3% for the SRAF.

The Normal Retirement Age under both of these plans is the earliest of: (a) age 60; (b) 30 years of service; or (c) age plus service equals 80. A MLA may retire at any time upon ceasing to be a MLA. Early retirement results in a pension reduction of 0.25% for each month a MLA retires before the Normal Retirement Age. The late retirement age for MLAs is up to age 69.

The pension liabilities represent the excess of the actuarial present value of accrued pension benefits over the actuarial value of net assets available for benefits.

Based on information provided for the year by the plans' actuary, the MLA pension liabilities as of March 31 are as follows:

	LARAF	SRAF	2010	2009
Accrued benefit obligation	$ 3,154	$ 5,590	$ 8,744	$ 8,738
Deduct:				
Pension fund assets	3,493	-	3,493	2,817
Unamortized actuarial (gains) losses	21	(224)	(203)	1,054
	3,514	(224)	3,290	3,871
Pension (asset) liability	$ (360)	$ 5,814	$ 5,454	$ 4,867

As at March 31, 2010, the LARAF pension fund assets had a market value of $3,251 (2009 - $3,267). The actual rate of return was positive 23.86% (2009 - negative 14.97%). The SRAF has no pension fund assets; however, the pension liability is funded all or in part by designated investments (Note 9).

LARAF and SRAF actuarial gains/losses are amortized over 3.8 years (2009 - 2.6 and 2.1 years, respectively), which are the estimated average remaining service lives for contributors to these plans.

14 PENSION LIABILITIES (continued)

The total expenses related to MLA pensions include the following components:

	LARAF	SRAF	2010	2009
Current period benefit cost	$ 563	$ 802	$ 1,365	$ 1,302
Amortization of actuarial (gains) losses	323	(226)	97	(218)
	886	576	1,462	1,084
MLAs contributions	(175)	-	(175)	(160)
Pension expense	711	576	1,287	924
Interest cost on the average accrued benefit obligation	254	363	617	589
Expected return on average pension plan assets	(198)	-	(198)	(288)
Pension interest expense	56	363	419	301
Total pension expenses	$ 767	$ 939	$ 1,706	$ 1,225

Pension benefits paid for the LARAF and SRAF were $1,181 and $754, respectively (2009 - $1,223 and $605, respectively).

The Government's contributions related to the LARAF and SRAF during the year were $1,840 and $821, respectively (2009 - $454 and $776, respectively).

15 DEFERRED REVENUE AND CAPITAL CONTRIBUTIONS

As at March 31, the Government had the following deferred revenue and capital contribution balances which are to be recognized as revenue in the year when eligible expenses are incurred:

	2010	2009
Building Canada Fund	$ 56,642	$ 33,810
Gas Tax Agreement	17,806	12,722
Territorial Health Access Fund	-	6,329
Deferred capital contributions	46,037	19,170
Other deferred revenue	4,487	7,607
	$ 124,972	$ 79,638

16 PETROLEUM PRODUCTS STABILIZATION FUND

The Petroleum Products Stabilization Fund was created under the authority of the *Revolving Funds Act*. The purpose of the Fund is to stabilize the prices of petroleum products purchased, sold, and distributed by the Government. The net profit (loss) of the Petroleum Products Revolving Fund is charged to the Petroleum Products Stabilization Fund. The accumulated surplus or deficit balance in the fund cannot exceed $10,000.

	2010	2009
Surplus (deficit), beginning of the year	$ (148)	$ (1,088)
Petroleum Products Revolving Fund net profit for the year	15,394	940
Transfer to Consolidated Revenue Fund	(6,000)	-
Surplus (deficit), end of the year	$ 9,246	$ (148)

17 CONTRACTUAL OBLIGATIONS

The Government has entered into agreements for, or is contractually committed to, the following payments payable subsequent to March 31, 2010:

	Year of Expiration	Total
Capital commitments	2014	$ 97,658
Operational commitments	2016	30,400
Policing agreement	2012	51,222
Operating leases (Schedule 6)	2027	50,471
		$ 229,751

Contractual obligations by fiscal year are as follows:

2011	$ 151,357
2012	45,418
2013	9,202
2014	6,006
2015	3,351
2016 and beyond	14,417
	$ 229,751

18 CONTINGENCIES

(a) Contingent liabilities

	2010	2009
Uninsured losses	$ 5	$ 70

(b) Post-division adjustments

The period for such adjustments is unlimited and such adjustments could be made in a variety of specified circumstances such as the settlement of litigation related to events prior to the date of division. In such an event, there is an opportunity for one of the governments to file a claim against the other government to share in costs. Post-division adjustments will be recognized in the year the liability can reasonably be estimated. To date, the Government of Nunavut has not yet received any significant claims from or filed any significant claims against the Government of the Northwest Territories.

(c) Environmental restoration costs

The Government recognizes that there are costs related to the restoration of any contaminated sites situated on lands within the Territory. Liabilities have been accrued in the non-consolidated financial statements when it has been determined that the Government is liable for a contaminated site and where a reasonable estimate of the remediation costs can be made. The Government's ongoing efforts to assess contaminated sites may result in additional environmental liabilities related to newly identified sites, or changes in the assessments or intended use of existing sites. Any additional liabilities will be accrued in the year in which they become known.

The Government will continue to implement a program of site inspection, assessment and remediation on an ongoing basis. To facilitate this, the Government has established a committee to ensure all existing and potential liabilities are identified and appropriate actions initiated. This is an ongoing process which should show continuous improvement each year as the Government continues to work in a practical manner towards the determination and appropriate recognition of its environmental liabilities within the Territory.

(d) Litigation

More individuals have come forward alleging abuse by a former school teacher in the Territory when it was part of the Northwest Territories. Pursuant to agreements negotiated prior to the division of the territories, the Nunavut and Northwest Territories governments will jointly defend the action. The costs of defending the action and any damages that may eventually be awarded will be shared by the two governments 44.34% and 55.66%, respectively. An estimate of the Government's share of the loss that may result from these suits has been accrued; however, the final outcome may vary significantly from this estimate.

A number of cases of alleged sexual abuse by former employees or contractors in Nunavut when it was part of the Northwest Territories have been filed, or are pending, in addition to the case disclosed above. The Nunavut and the Northwest Territories governments will jointly defend any such proceedings and the cost of defending the actions and any damages that may eventually be awarded will be shared by the two governments 44.34% and 55.66%, respectively. An estimate of any liability that may result from these actions is not determinable at this time; consequently no liability has been accrued.

(e) Pay Equity

There are a number of pay equity claims outstanding against the Government of Nunavut primarily for job rating evaluations of specific trades. The Government is working with Nunavut Government Employee Union in order to resolve the claims. However, the outcome of these claims is not currently known. As of March 31, 2010, no provision has been made in these financial statements.

(f) Loan guarantees

As part of its financing, the Qulliq Energy Corporation (QEC) has arranged various credit facilities at different terms and interest rates. The Government has guaranteed the following QEC credit facilities:

	2010	2009
Bank credit facility, interest at prime	$ 9,751	$ 10,437
20 year redeemable amortizing debenture due 2021, interest rate of 6.809%	51,987	54,039
Floating rate capital loan facility drawn on April 30, 2007, interest at prime	4,900	5,600
Floating rate capital loan facility drawn on November 21, 2007, interest at prime	6,133	6,934
Total guarantees provided on balances outstanding	$ 72,771	$ 77,010

The bank credit facility limit is $24,000. The floating rate capital loan facility limit is $24,000.

Based on its operational needs, the Nunavut Development Corporation (NDC) may from time to time be in a bank overdraft position. The overdraft is guaranteed by the Government, and interest on the overdraft is charged based on a rate of prime plus 0.50% per annum. Interest is charged only when NDC's operating account is in an overdraft position and the pooled accounts of the Government are also in an overdraft position. As at March 31, 2010, NDC's bank overdraft position was $12,270 (2009 - $72,018).

18 CONTINGENCIES (continued)

(g) Pending and threatened litigation

There are a number of claims and threatened litigation cases outstanding against the Government for which the outcomes are not determinable, including a number of cases where an amount is not specified. The nature of these claims include wrongful dismissal, breach of policy, personal injury, sexual abuse, negligence, medical negligence, wrongful arrest and assault. As of March 31, 2010, all of these claims have been assessed as being either without merit or not determinable at this time.

19 RELATED PARTIES

Transactions with related parties and balances at year-end, not disclosed elsewhere in the financial statements, are disclosed in this note. During the year, the Government made grants and contributions to or funded other costs for the following related parties:

	2010	2009
Nunavut Arctic College	$ 1,931	$ 21,545
District Education Authorities	12,484	10,652
Qulliq Energy Corporation	6,716	16,153
Nunavut Development Corporation	3,784	3,772
Nunavut Business Credit Corporation	450	450
	$ 25,365	$ 52,572

Under agreements with related boards and agencies, the Government provides services at cost or for a service fee where direct costs cannot be determined. The fees charged for indirect costs are not necessarily the cost of providing those services. Services provided included personnel, payroll, financial, procurement, accommodation, buildings and works, utilities, legal, and interpretation services. Direct costs of $31,188 (2009 - $27,680) were incurred and recovered from related parties. Grants and contributions from the Government of Nunavut to Nunavut Arctic College and Nunavut Housing Corporation are disclosed separately in the Schedule of Expenses under Approved Appropriations (Schedule B.1). Consistent with the 2009-10 Main Estimates, the budget and actual capital expenditures for Nunavut Arctic College are included in Schedule B.1 under the Department of Finance.

20 TRUSTS UNDER ADMINISTRATION

The Government administers trust accounts on behalf of third parties, which are not included in the reported Government assets and liabilities.

	2010	2009
Public Trustee	$ 4,096	$ 3,984
Victims' Assistance Trust	289	308
Natural Resources Conservation Trust	277	276
Millennium Scholarship Fund	8	61
Scholarship Fund	41	41
Territorial Court Trust	129	142
Maintenance Enforcement Trust	50	54
Young Offenders Welfare Trust	18	12
Baffin Correctional Centre Welfare Trust	8	25
Baffin Correctional Centre Inmate Trust	25	23
Young Offenders Trust	6	6
Sherriff's Imprest Account	10	9
Nunavut Labour Standards Board Trust	3	-
HSS - Akausisarvik	11	11
HSS - Ikpigusukniqmut Foundation	95	95
	$ 5,066	$ 5,047

21 PROJECTS FUNDED UNDER THIRD-PARTY AGREEMENTS

Under agreements with the Government of Canada and others, the government receives full or partial funding for eligible expenses incurred on various specific projects. The following is a summary of the various project related revenues and expenses funded during the year.

		2010	2009
Revenues			
	From the Government of Canada	$ 98,245	$ 66,688
	From others	3,862	4,999
		$ 102,107	$ 71,687
Expenses			
	Compensation and benefits	$ 14,096	$ 14,284
	Grants and contributions	30,391	29,527
	Other expenses	56,373	26,553
	Amortization of tangible capital assets	1,247	1,323
		$ 102,107	$ 71,687

22 COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform to the current year's presentation.

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS

Schedule A

Non-Consolidated Schedule of Revenues by Source (unaudited)
for the year ended March 31, 2010
(thousands of dollars)

	2010 Budget	2010 Actual	2009 Actual
From the Government of Canada			
Territorial Formula Financing Agreement	$ 1,022,060	$ 1,022,060	$ 944,050
Transfers under third-party funding agreements	72,959	98,245	66,688
Other transfer payments	108,530	80,286	103,907
	1,203,549	1,200,591	1,114,645
Revenues generated by the Government of Nunavut			
Taxation revenues			
Personal income tax	13,450	18,150	20,825
Corporate income tax	7,110	7,451	9,466
Fuel tax	5,280	3,408	4,367
Tobacco tax	11,820	12,305	11,956
Insurance tax	310	852	713
Property tax	1,540	1,534	1,502
Payroll tax	14,350	17,616	17,087
	53,860	61,316	65,916
Other revenues			
Petroleum Products Division revenue - net of cost of goods sold of $127,050 (2009 - $165,338)	30,660	35,519	23,350
Liquor revenue - net of cost of goods sold of $2,582 (2009 - $2,272)	3,094	2,839	2,845
Staff housing recoveries	14,500	15,544	15,634
Transfers under third-party funding agreements	-	3,862	4,999
Other	19,500	13,036	20,702
	67,754	70,800	67,530
Recoveries of prior years expenditures (Schedule 1)	-	13,668	11,797
Total revenues	**$ 1,325,163**	**$ 1,346,375**	**$ 1,259,888**

TOTALS	Original Budget	Supplementary Appropriations	Transfers	Revised Budget	Actual Expenses	(Over) Under Budget
APPROPRIATIONS (Schedule B.1)						
Total operations and maintenance before amortization	$ 1,050,873	$ 39,496	$ -	$ 1,090,369	$ 1,079,113	$ 11,256
Amortization of tangible capital assets	42,327	-	-	42,327	35,579	6,748
Total operations and maintenance	1,093,200	39,496	-	1,132,696	1,114,692	18,004
Capital expenditures	120,766	109,779	-	230,545	123,260	107,285
Transferred to tangible capital assets	(82,163)	-	-	(82,163)	(80,232)	(1,931)
Total capital expenses	38,603	109,779	-	148,382	43,028	105,354
Total appropriation expenses	**$ 1,131,803**	**$ 149,275**	**$ -**	**$ 1,281,078**	**$ 1,157,720**	**$ 123,358**
FUNDED UNDER THIRD-PARTY AGREEMENTS (Schedule B.2)						
Total operations and maintenance before amortization	$ 72,959	$ -	$ -	$ 72,959	$ 100,860	$ (27,901)
Amortization of tangible capital assets	-	-	-	-	1,247	(1,247)
Total operations and maintenance	72,959	-	-	72,959	102,107	(29,148)
Capital expenditures	-	-	-	-	27,786	(27,786)
Transferred to tangible capital assets	-	-	-	-	(27,786)	27,786
Total capital expenses	-	-	-	-	-	-
Total funded expenses	$ 72,959	$ -	$ -	$ 72,959	$ 102,107	$ (29,148)
REVOLVING FUNDS (Schedule B.3)						
Total operations and maintenance before amortization	$ 24,066	$ -	$ -	$ 24,066	$ 22,650	$ 1,416
Amortization of tangible capital assets	-	-	-	-	830	(830)
Total operations and maintenance	24,066	-	-	24,066	23,480	586
Capital expenditures	-	-	-	-	9,407	(9,407)
Transferred to tangible capital assets	-	-	-	-	(9,407)	9,407
Total capital expenses	-	-	-	-	-	-
Total revolving fund expenses	$ 24,066	$ -	$ -	$ 24,066	$ 23,480	$ 586
NON-CONSOLIDATED STATEMENTS TOTALS						
Total operations and maintenance before amortization	$ 1,147,898	$ 39,496	$ -	$ 1,187,394	$ 1,202,623	$ (15,229)
Amortization of tangible capital assets	42,327	-	-	42,327	37,656	4,671
Total operations and maintenance	1,190,225	39,496	-	1,229,721	1,240,279	(10,558)
Capital expenditures	120,766	109,779	-	230,545	160,453	70,092
Transferred to tangible capital assets	(82,163)	-	-	(82,163)	(117,425)	35,262
Total capital expenses	38,603	109,779	-	148,382	43,028	105,354
Total expenses	**$ 1,228,828**	**$ 149,275**	**$ -**	**$ 1,378,103**	**$ 1,283,307**	**$ 94,796**

Total expenses above includes, among other items, interest expense of $5,992 (2009 - $6,724) and increases in valuation allowances of $1,706 (2009 - $6,362).

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Non-Consolidated Schedule of Expenses under Approved Appropriations (unaudited)
for the year ended March 31, 2010
(thousands of dollars)

Schedule B.1

APPROPRIATIONS	Original Budget	Supplementary Appropriations	Transfers	Revised Budget	Actual Expenses	(Over) Under Budget
LEGISLATIVE ASSEMBLY						
Operations and maintenance						
Compensation and benefits	$ 7,794	$ -	$ -	$ 7,794	$ 8,088	$ (294)
Grants and contributions	-	-	-	-	-	-
Other expenses	7,192	1,308	-	8,500	8,206	294
Total operations and maintenance	14,986	1,308	-	16,294	16,294	-
Capital expenditures	1,400	-	-	1,400	308	1,092
Total expenses	$ 16,386	$ 1,308	$ -	$ 17,694	$ 16,602	$ 1,092
EXECUTIVE AND INTERGOVERNMENTAL AFFAIRS						
Operations and maintenance						
Compensation and benefits	$ 9,675	$ -	$ (1,438)	$ 8,237	$ 8,218	$ 19
Grants and contributions	400	-	19	419	397	22
Other expenses	3,781	189	1,419	5,389	5,280	109
Total operations and maintenance	13,856	189	-	14,045	13,895	150
Capital expenditures	100	-	-	100	86	14
Total expenses	$ 13,956	$ 189	$ -	$ 14,145	$ 13,981	$ 164
FINANCE						
Operations and maintenance						
Compensation and benefits	$ 20,903	$ (60)	$ (75)	$ 20,768	$ 20,110	$ 658
Grants and contributions	7,400	1,000	-	8,400	6,786	1,614
Other expenses	26,580	350	75	27,005	24,868	2,137
Total operations and maintenance	54,883	1,290	-	56,173	51,764	4,409
Capital expenditures	19,850	3,056	-	22,906	19,474	3,432
Total expenses	$ 74,733	$ 4,346	$ -	$ 79,079	$ 71,238	$ 7,841
HUMAN RESOURCES						
Operations and maintenance						
Compensation and benefits	$ 15,751	$ -	$ (669)	$ 15,082	$ 15,053	$ 29
Grants and contributions	-	-	-	-	-	-
Other expenses	6,616	-	669	7,285	5,949	1,336
Total operations and maintenance	22,367	-	-	22,367	21,002	1,365
Capital expenditures	40	-	-	40	40	-
Total expenses	$ 22,407	$ -	$ -	$ 22,407	$ 21,042	$ 1,365
JUSTICE						
Operations and maintenance						
Compensation and benefits	$ 26,854	$ -	$ (960)	$ 25,894	$ 26,064	$ (170)
Grants and contributions	8,864	-	350	9,214	9,084	130
Other expenses	40,284	601	610	41,495	39,597	1,898
Total operations and maintenance	76,002	601	-	76,603	74,745	1,858
Capital expenditures	17,100	3,558	-	20,658	8,796	11,862
Total expenses	$ 93,102	$ 4,159	$ -	$ 97,261	$ 83,541	$ 13,720

Non-Consolidated Schedule of Expenses under Approved Appropriations (unaudited) - Continued
for the year ended March 31, 2010
(thousands of dollars)

APPROPRIATIONS	Original Budget	Supplementary Appropriations	Transfers	Revised Budget	Actual Expenses	(Over) Under Budget
CULTURE, LANGUAGE, ELDERS AND YOUTH						
Operations and maintenance						
Compensation and benefits	$ 9,196	$ -	$ (1,465)	$ 7,731	$ 7,661	$ 70
Grants and contributions	7,492	-	279	7,771	6,950	821
Other expenses	4,473	-	1,186	5,659	4,848	811
Total operations and maintenance	21,161	-	-	21,161	19,459	1,702
Capital expenditures	60	8,991	-	9,051	3,293	5,758
Total expenses	$ 21,221	$ 8,991	$ -	$ 30,212	$ 22,752	$ 7,460
EDUCATION						
Operations and maintenance						
Compensation and benefits	$ 118,325	$ 1,700	$ 82	$ 120,107	$ 124,631	$ (4,524)
Grants and contributions	57,901	-	320	58,221	56,822	1,399
Other expenses	18,375	-	(402)	17,973	14,349	3,624
Total operations and maintenance	194,601	1,700	-	196,301	195,802	499
Capital expenditures	15,268	32,074	-	47,342	37,011	10,331
Total expenses	$ 209,869	$ 33,774	$ -	$ 243,643	$ 232,813	$ 10,830
HEALTH AND SOCIAL SERVICES						
Operations and maintenance						
Compensation and benefits	$ 100,774	$ 470	$ (11,731)	$ 89,513	$ 84,165	$ 5,348
Grants and contributions	6,169	-	500	6,669	4,717	1,952
Other expenses	151,249	32,358	11,231	194,838	201,215	(6,377)
Total operations and maintenance	258,192	32,828	-	291,020	290,097	923
Capital expenditures	4,690	13,579	-	18,269	2,849	15,420
Total expenses	$ 262,882	$ 46,407	$ -	$ 309,289	$ 292,946	$ 16,343
NUNAVUT ARCTIC COLLEGE						
Operations and maintenance						
Compensation and benefits	$ -	$ -	$ -	$ -	$ -	$ -
Grants and contributions	21,881	-	-	21,881	21,881	-
Other expenses	-	-	-	-	-	-
Total operations and maintenance	21,881	-	-	21,881	21,881	-
Capital expenditures	-	-	-	-	-	-
Total expenses	$ 21,881	$ -	$ -	$ 21,881	$ 21,881	$ -
NUNAVUT HOUSING CORPORATION						
Operations and maintenance						
Compensation and benefits	$ -	$ -	$ -	$ -	$ -	$ -
Grants and contributions	128,168	364	-	128,532	128,532	-
Other expenses	-	-	-	-	-	-
Total operations and maintenance	128,168	364	-	128,532	128,532	-
Capital expenditures	18,546	750	-	19,296	19,296	-
Total expenses	$ 146,714	$ 1,114	$ -	$ 147,828	$ 147,828	$ -

Non-Consolidated Schedule of Expenses under Approved Appropriations (unaudited) - Continued
for the year ended March 31, 2010
(thousands of dollars)

APPROPRIATIONS	Original Budget	Supplementary Appropriations	Transfers	Revised Budget	Actual Expenses	(Over) Under Budget
ENVIRONMENT						
Operations and maintenance						
Compensation and benefits	$ 13,231	$ -	$ (838)	$ 12,393	$ 12,686	$ (293)
Grants and contributions	1,891	-	159	2,050	1,845	205
Other expenses	4,876	670	679	6,225	5,790	435
Total operations and maintenance	19,998	670	-	20,668	20,321	347
Capital expenditures	1,685	1,255	-	2,940	2,112	828
Total expenses	$ 21,683	$ 1,925	$ -	$ 23,608	$ 22,433	$ 1,175
COMMUNITY AND GOVERNMENT SERVICES						
Operations and maintenance						
Compensation and benefits	$ 34,171	$ (400)	$ (2,760)	$ 31,011	$ 35,306	$ (4,295)
Grants and contributions	57,104	-	(716)	56,388	55,914	474
Other expenses	79,448	(721)	3,476	82,203	78,380	3,823
Total operations and maintenance	170,723	(1,121)	-	169,602	169,600	2
Capital expenditures	36,194	32,260	-	68,454	22,270	46,184
Total expenses	$ 206,917	$ 31,139	$ -	$ 238,056	$ 191,870	$ 46,186
ECONOMIC DEVELOPMENT AND TRANSPORTATION						
Operations and maintenance						
Compensation and benefits	$ 14,890	$ -	$ (930)	$ 13,960	$ 13,936	$ 24
Grants and contributions	18,919	1,331	50	20,300	19,918	382
Other expenses	20,246	336	880	21,462	21,867	(405)
Total operations and maintenance	54,055	1,667	-	55,722	55,721	1
Capital expenditures	5,833	14,256	-	20,089	7,725	12,364
Total expenses	$ 59,888	$ 15,923	$ -	$ 75,811	$ 63,446	$ 12,365
TOTALS						
Operations and maintenance						
Compensation and benefits	$ 371,564	$ 1,710	$ (20,784)	$ 352,490	$ 355,918	$ (3,428)
Grants and contributions	316,189	2,695	961	319,845	312,846	6,999
Other expenses	363,120	35,091	19,823	418,034	410,349	7,685
	1,050,873	39,496	-	1,090,369	1,079,113	11,256
Amortization of tangible capital assets	42,327	-	-	42,327	35,579	6,748
Total operations and maintenance	1,093,200	39,496	-	1,132,696	1,114,692	18,004
Capital expenditures	120,766	109,779	-	230,545	123,260	107,285
Transferred to tangible capital assets	(82,163)	-	-	(82,163)	(80,232)	(1,931)
Total capital expenses	38,603	109,779	-	148,382	43,028	105,354
Total appropriation expenses	**$ 1,131,803**	**$ 149,275**	**$ -**	**$ 1,281,078**	**$ 1,157,720**	**$ 123,358**

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS

Schedule B.2

Non-Consolidated Schedule of Expenses Funded under Third-Party Agreements (unaudited)
for the year ended March 31, 2010
(thousands of dollars)

By Department	Original Budget	Actual Expenses	(Over) Under Budget
Legislative Assembly	$ -	$ 1	$ (1)
Executive and Intergovernmental Affairs	3,249	707	2,542
Finance	10,300	1,667	8,633
Human Resources	-	-	-
Justice	20	1,572	(1,552)
Culture, Language, Elders and Youth	3,278	2,313	965
Education	5,638	7,492	(1,854)
Health and Social Services	41,190	55,667	(14,477)
Nunavut Arctic College	-	-	-
Nunavut Housing Corporation	-	-	-
Environment	125	1,422	(1,297)
Community and Government Services	1,125	21,582	(20,457)
Economic Development and Transportation	8,034	9,684	(1,650)
	$ 72,959	$ 102,107	$ (29,148)

By Category	Original Budget	Actual Expenses	(Over) Under Budget
Operations and maintenance			
Compensation and benefits	$ -	$ 14,096	$ -
Grants and contributions	-	30,391	-
Other expenses	-	56,373	-
	72,959	100,860	(27,901)
Amortization of tangible capital assets	-	1,247	(1,247)
Total operations and maintenance	72,959	102,107	(29,148)
Capital expenditures	-	27,786	(27,786)
Transferred to tangible capital assets	-	(27,786)	27,786
Total capital expenses	-	-	-
Total funded expenses	$ 72,959	$ 102,107	$ (29,148)

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Schedule B.3

Non-Consolidated Schedule of Expenses of Revolving Funds (unaudited)
for the year ended March 31, 2010
(thousands of dollars)

By Revolving Fund	Original Budget	Actual Expenses	(Over) Under Budget
Fur Marketing Service	$ -	$ -	$ -
Liquor	2,003	2,012	(9)
Nunavut Outfitters Liability Protection	-	-	-
Petroleum Products	22,063	20,666	1,397
Public Stores	-	574	(574)
Student Loan	-	228	(228)
	$ 24,066	$ 23,480	$ 586

By Category	Original Budget	Actual Expenses	(Over) Under Budget
Operations and maintenance			
Compensation and benefits	$ 4,440	$ 4,324	$ 116
Grants and contributions	-	-	-
Other expenses	19,626	18,326	1,300
	24,066	22,650	1,416
Amortization of tangible capital assets	-	830	(830)
Total operations and maintenance	24,066	23,480	586
Capital expenditures	-	9,407	(9,407)
Transferred to tangible capital assets	-	(9,407)	9,407
Total capital expenses	-	-	-
Total revolving fund expenses	$ 24,066	$ 23,480	$ 586

The Student Loan Revolving Fund budget of $163 was included in the Department of Education on Schedule B.1 as per the tabled Main Estimates.

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS

Schedule C

Non-Consolidated Schedule of Tangible Capital Assets (unaudited)
for the year ended March 31, 2010
(thousands of dollars)

	Buildings	Tank Farms	Infra-structure	Leased Buildings	Storage Facilities	Equipment	2010	2009 (Restated - Note 3)
Cost of tangible capital assets								
Opening balance	$ 599,449	$ 113,111	$ 108,896	$ 119,959	$ 30,722	$ 32,667	$ 1,004,804	$ 981,375
Additions	6,950	617	106	-	-	2,284	9,957	3,014
Transferred from work in progress	44,603	3,283	6,713	-	276	3,293	58,168	20,415
Disposals	-	-	-	(5,086)	-	-	(5,086)	-
Closing balance	651,002	117,011	115,715	114,873	30,998	38,244	1,067,843	1,004,804
Accumulated amortization								
Opening balance	(140,670)	(36,152)	(34,684)	(34,773)	(10,860)	(28,105)	(285,244)	(248,673)
Amortization	(21,625)	(3,900)	(3,637)	(3,956)	(978)	(3,560)	(37,656)	(36,571)
Disposals	-	-	-	1,475	-	-	1,475	-
Closing balance	(162,295)	(40,052)	(38,321)	(37,254)	(11,838)	(31,665)	(321,425)	(285,244)
Work in progress								
Opening balance	90,533	20,785	29,518	-	276	3,759	144,871	97,303
Additions	80,194	7,817	7,274	-	4	13,020	108,309	67,983
Transferred to tangible capital assets	(44,603)	(3,283)	(6,713)	-	(276)	(3,293)	(58,168)	(20,415)
Closing balance	126,124	25,319	30,079	-	4	13,486	195,012	144,871
Net book value	$ 614,831	$ 102,278	$ 107,473	$ 77,619	$ 19,164	$ 20,065	$ 941,430	$ 864,431
Estimated useful life	**30 Years**	**30 Years**	**30 Years**	**30 Years**	**30 Years**	**5 Years**		

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS

Schedule 1

Non-Consolidated Schedule of Recoveries of Prior Years Expenditures (unaudited)

for the year ended March 31, 2010

(thousands of dollars)

Department	Over Accruals	Other Recoveries	Total
Executive and Intergovernmental Affairs	$ 53	$ 20	$ 73
Finance	-	1,312	1,312
Human Resources	210	2	212
Justice	509	230	739
Culture, Language, Elders and Youth	1,505	795	2,300
Education	1,760	147	1,907
Health and Social Services	2,270	393	2,663
Environment	544	-	544
Community and Government Services	1,046	419	1,465
Economic Development and Transportation	2,383	70	2,453
	$ 10,280	$ 3,388	$ 13,668

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS

Schedule 2

Non-Consolidated Schedule of Special Warrants (unaudited)
for the year ended March 31, 2010
(thousands of dollars)

	Date of FMB Approval	Amount Authorized
OPERATIONS AND MAINTENANCE		
There were no Special Warrants during the year.		
Total operations and maintenance		$ -
CAPITAL		
There were no Special Warrants during the year.		
Total capital		$ -

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS

Non-Consolidated Schedule of Inter-Activity Transfers Over $250,000 (unaudited)

for the year ended March 31, 2010

(thousands of dollars)

	Transfer to (from)	
OPERATIONS AND MAINTENANCE		
Community and Government Services		
Directorate	$ (242)	
Community Support	(418)	
Government Services	480	Transfer funds
Safety and Protective Service	(100)	
Capital Planning and Technical Services	280	
Health and Social Services		
Social Programs	398	
Treatment	300	Transfer funds
Health Insurance Programs	(698)	
Directorate	(300)	Transfer funds
Population Health	300	
Social Programs	500	Transfer funds
Treatment	(500)	
CAPITAL		
Community and Government Services		
CGS-Capital	(1,500)	Capital budget adjustments
Petroleum Products Division	1,500	
CGS-Capital	(1,075)	Capital budget adjustments
Petroleum Products Division	1,075	
CGS-Capital	(800)	Capital budget adjustments
Petroleum Products Division	800	

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS

Schedule 4

Non-Consolidated Schedule of Debenture Loans Receivable from Municipalities (unaudited)

for the year ended March 31, 2010

(thousands of dollars)

	Original Amount	Balance March 31, 2009	Accrued Interest	Valuation Adjustment	Principal Payments	Balance March 31, 2010
City of Iqaluit	$ 3,898	$ 560	$ 40	$ -	$ (153)	$ 447
Municipality of Clyde River	200	24	-	-	(24)	-
	4,098	584	40	-	(177)	447
Less: valuation allowance	-	(100)	-	-	-	(100)
	$ 4,098	$ 484	$ 40	$ -	$ (177)	$ 347

Non-Consolidated Schedule of Student Loan Remissions (unaudited)

for the year ended March 31, 2010

Under the *Student Financial Assistance Regulations,* the Government may forego collection of students' loans, provided certain criteria are met. The students listed below, having met the academic and the employment or residency criteria, have qualified and been granted remission of their loans. The *Financial Administration Act* states that any such write-off, if over $500, must be disclosed in the Public Accounts.

Bodner, Jenine	$	3,165
Chemko, Erika		3,066
Healey, Colleen		1,578
Main, Fiona		1,340
Main, Heather		2,943
Stubbing, Melanie		2,030
Young, Beverly		2,444
Young, Daniel		5,450
	$	22,016

GOVERNMENT OF NUNAVUT
PUBLIC ACCOUNTS
Schedule 6

Non-Consolidated Schedule of Contractual Obligations under Operating Leases (unaudited)
for the year ended March 31, 2010
(thousands of dollars)

	2011	2012	2013	2014	2015	>2015	Total
Headquarters	$ 6,082	$ 4,739	$ 4,101	$ 2,836	$ 1,637	$ 7,135	$ 26,530
Qikiqtaaluk	145	145	109	-	-	-	399
Kivalliq	3,085	2,571	2,249	1,805	979	2,226	12,915
Kitikmeot	1,360	1,229	1,198	1,145	642	5,053	10,627
	$ 10,672	$ 8,684	$ 7,657	$ 5,786	$ 3,258	$ 14,414	$ 50,471